

# HOUSE JOURNAL

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EIGHTY-FOURTH LEGISLATURE, REGULAR SESSION

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## PROCEEDINGS

EIGHTY-FOURTH DAY (CONTINUED) — SUNDAY, MAY 31, 2015

The house met at 2:09 p.m. and was called to order by the speaker.

The roll of the house was called and a quorum was announced present (Record 1756).

Present — Mr. Speaker; Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dukes; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Longoria; Lozano; Lucio; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Absent, Excused — Minjarez.

The speaker recognized Representatives Howard, Vo, Naishtat, and Simpson who offered the invocation.

The speaker recognized Representative Moody who led the house in the pledges of allegiance to the United States and Texas flags.

### **LEAVE OF ABSENCE GRANTED**

The following member was granted leave of absence for today because of important business in the district:

Minjarez on motion of Israel.

**HR 3507 - NOTICE OF INTRODUCTION**

Pursuant to the provisions of Rule 13, Section 9(f) of the House Rules, the speaker announced the introduction of **HR 3507**, suspending the limitations on the conferees for **HB 928**.

**HR 3494 - NOTICE OF INTRODUCTION**

Pursuant to the provisions of Rule 13, Section 9(f) of the House Rules, the speaker announced the introduction of **HR 3494**, suspending the limitations on the conferees for **HB 1905**.

**HR 3488 - NOTICE OF INTRODUCTION**

Pursuant to the provisions of Rule 13, Section 9(f) of the House Rules, the speaker announced the introduction of **HR 3488**, suspending the limitations on the conferees for **HB 1295**.

**HR 3479 - NOTICE OF INTRODUCTION**

Pursuant to the provisions of Rule 13, Section 9(f) of the House Rules, the speaker announced the introduction of **HR 3479**, suspending the limitations on the conferees for **SB 507**.

**HR 3484 - NOTICE OF INTRODUCTION**

Pursuant to the provisions of Rule 13, Section 9(f) of the House Rules, the speaker announced the introduction of **HR 3484**, suspending the limitations on the conferees for **HB 1842**.

**MESSAGE FROM THE SENATE**

A message from the senate was received at this time (see the addendum to the daily journal, Messages from the Senate, Message No. 1).

(Sheets in the chair)

**HCR 145 - ADOPTED**

(by Nevárez)

Representative Nevárez moved to suspend all necessary rules to take up and consider at this time **HCR 145**.

The motion prevailed.

The following resolution was laid before the house:

**HCR 145**, Recognizing the secretary of the army for the work on the Amistad International Reservoir and the effort to continue to find funds to carry out work related to Section 4006 of the Water Resources Reform and Development Act of 2014.

**HCR 145** was adopted.

On motion of Representative Kacal, the names of all the members of the house were added to **HCR 145** as signers thereof.

**LEAVES OF ABSENCE GRANTED**

The following members were granted leaves of absence for the remainder of today because of important business:

Longoria on motion of Guerra.

Lucio on motion of Guerra.

**HR 3436 - PREVIOUSLY ADOPTED  
(by Guerra)**

The chair laid out the following previously adopted resolution:

**HR 3436**, Commending Rick Diaz for his contributions to KRGV-TV and to the people of the Rio Grande Valley on the occasion of his retirement.

On motion of Representative Guillen, the names of all the members of the house were added to **HR 3436** as signers thereof.

**HCR 143 - ADOPTED  
(by D. Bonnen)**

The following privileged resolution was laid before the house:

**HCR 143**

WHEREAS, **HB 32** has been adopted by the house of representatives and the senate and is being prepared for enrollment; and

WHEREAS, The bill contains a technical error that should be corrected; now, therefore, be it

RESOLVED by the 84th Legislature of the State of Texas, That the enrolling clerk of the house of representatives be instructed to correct **HB 32**, in SECTION 1(a) of the bill, by striking "Franchise Tax Repeal Act of 2015" and substituting "Franchise Tax Reduction Act of 2015".

**HCR 143** was adopted by (Record 1757): 144 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson;

Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes.

### **SB 20 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Price submitted the conference committee report on **SB 20**.

Representative Price moved to adopt the conference committee report on **SB 20**.

The motion to adopt the conference committee report on **SB 20** prevailed by (Record 1758): 143 Yeas, 0 Nays, 2 Present, not voting. (The vote was reconsidered later today, and the motion to adopt the conference committee report on **SB 20** prevailed by Record No. 1759.)

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Tinderholt.

### **STATEMENT OF VOTE**

When Record No. 1758 was taken, I was in the house but away from my desk. I would have voted yes.

Tinderholt

**HR 2991 - ADOPTED**  
**(by Simpson)**

Representative Simpson moved to suspend all necessary rules to take up and consider at this time **HR 2991**.

The motion prevailed.

The following resolution was laid before the house:

**HR 2991**, Congratulating Heather and Richard Wells on the adoption of their daughter, Rylee Jean Yu Wells, and naming Rylee an honorary Texan.

**HR 2991** was adopted.

On motion of Representative Schaefer, the names of all the members of the house were added to **HR 2991** as signers thereof.

**SB 20 - VOTE RECONSIDERED**

Representative Simmons moved to reconsider the vote by which the conference committee report on **SB 20** was adopted by Record No. 1758.

The motion to reconsider prevailed.

**SB 20 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Price moved to adopt the conference committee report on **SB 20**.

The motion to adopt the conference committee report on **SB 20** prevailed by (Record 1759): 140 Yeas, 2 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — King, S.; Simmons.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Bell; Dukes; Turner, S.

(Speaker in the chair)

**BILLS AND RESOLUTIONS SIGNED BY THE SPEAKER**

Notice was given at this time that the speaker had signed bills and resolutions in the presence of the house (see the addendum to the daily journal, Signed by the Speaker, House List No. 34).

**HR 3425 - MOTION TO ADOPT  
(by Price)**

The following privileged resolution was laid before the house:

**HR 3425**

BE IT RESOLVED by the House of Representatives of the State of Texas, 84th Legislature, Regular Session, 2015, That House Rule 13, Section 9(a), be suspended in part as provided by House Rule 13, Section 9(f), to enable the conference committee appointed to resolve the differences on **HB 3123** (governmental entities subject to the sunset review process) to consider and take action on the following matters:

(1) House Rule 13, Section 9(a)(2), is suspended to permit the committee to omit text which is not in disagreement, SECTION 2.01 of the house engrossment of **HB 3123** and the corresponding section of the bill as the bill was amended by the senate, relating to the sunset review of the Sulphur River Basin Authority, that reads:

SECTION 2.01. SULPHUR RIVER BASIN AUTHORITY. Section 1A, Chapter 3, Acts of the 69th Legislature, 1st Called Session, 1985, is repealed.

Explanation: The omission is necessary to continue the sunset review of the Sulphur River Basin Authority.

(2) House Rule 13, Section 9(a)(4), is suspended to permit the committee to add text on matters not included in either the house or senate version of the bill by adding the following:

**ARTICLE 1. ENTITIES GIVEN 2017 SUNSET DATE**

**SECTION 1.01. TEXAS DEPARTMENT OF TRANSPORTATION.** Section 201.204, Transportation Code, is amended to read as follows:

Sec. 201.204. SUNSET PROVISION. (a) The Texas Department of Transportation is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the department is abolished September 1, 2017.

(b) The Sunset Advisory Commission shall limit its review of the Texas Department of Transportation in preparation for the work of the 85th Legislature in Regular Session to the department's project planning, selection, programming, and funding processes and its interactions with local transportation entities. In the

commission's report to the 85th Legislature, the commission may include any recommendations it considers appropriate. This subsection expires September 1, 2017.

SECTION 1.02. NORTH TEXAS TOLLWAY AUTHORITY. Subchapter A, Chapter 366, Transportation Code, is amended by adding Section 366.005 to read as follows:

Sec. 366.005. SUNSET PROVISION. (a) An authority is subject to review under Chapter 325, Government Code (Texas Sunset Act), as if it were a state agency but is not abolished under that chapter.

(b) An authority shall be reviewed during the period in which state agencies scheduled to be reviewed or abolished in 2017 are reviewed.

(c) An authority shall pay the cost incurred by the Sunset Advisory Commission in performing a review of the authority under this section. The Sunset Advisory Commission shall determine the cost, and the authority shall pay the amount promptly on receipt of a statement from the Sunset Advisory Commission detailing the cost.

(d) This section expires September 1, 2017.

#### ARTICLE 2. ENTITIES GIVEN 2019 SUNSET DATE

SECTION 2.01. EMPLOYEES RETIREMENT SYSTEM OF TEXAS. Section 815.005, Government Code, is amended to read as follows:

Sec. 815.005. SUNSET PROVISION. The board of trustees of the Employees Retirement System of Texas is subject to review under Chapter 325 (Texas Sunset Act), but is not abolished under that chapter. The board shall be reviewed during the period in which state agencies abolished in 2019 [~~2017~~], and every 12th year after that year, are reviewed.

SECTION 4.04. TEXAS MILITARY DEPARTMENT. Section 437.051, Government Code, is amended to read as follows:

Sec. 437.051. SUNSET PROVISION. The department is subject to Chapter 325 (Texas Sunset Act). Unless continued in existence as provided by that chapter, the department is abolished and this subchapter expires September 1, 2023 [~~2019~~].

SECTION 4.05. CANCER PREVENTION AND RESEARCH INSTITUTE OF TEXAS. Section 102.003, Health and Safety Code, is amended to read as follows:

Sec. 102.003. SUNSET PROVISION. The Cancer Prevention and Research Institute of Texas is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the institute is abolished and this chapter expires September 1, 2023 [~~2024~~].

SECTION 4.06. RAILROAD COMMISSION OF TEXAS. Sections 81.01001(a) and (a-1), Natural Resources Code, are amended to read as follows:

(a) The Railroad Commission of Texas is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the commission is abolished September 1, 2023 [~~2017~~].

(a-1) The review of the Railroad Commission of Texas by the Sunset Advisory Commission in preparation for the work of the 88th [~~85th~~] Legislature in Regular Session is not limited to the appropriateness of recommendations made by the Sunset Advisory Commission to the 83rd Legislature. In the Sunset Advisory Commission's report to the 88th [~~85th~~] Legislature, the Sunset Advisory Commission may include any recommendations it considers appropriate. The review must include an examination of alternative organizational structures for the Railroad Commission of Texas and alternative methods for performing the commission's responsibilities that would enable the efficient and effective accomplishment of the commission's functions. The examination must include an assessment of existing state agencies that would be able to perform the commission's functions. The review must also include an examination of methods to increase the public's role in decisions of the Railroad Commission of Texas that relate to the effect of the growth of resource extraction. The Sunset Advisory Commission may contract for assistance in performing the review, including assistance in evaluating, auditing, and forensic auditing, as the Sunset Advisory Commission determines necessary. This subsection expires September 1, 2023 [~~2017~~].

Explanation: This addition is necessary to limit the scope of the next sunset review of the Texas Department of Transportation, to subject the North Texas Tollway Authority to sunset review, and to change the sunset review date for various state agencies.

(Geren in the chair)

**HR 3425** failed of adoption by (Record 1760): 52 Yeas, 90 Nays, 2 Present, not voting.

Yeas — Anderson, C.; Anderson, R.; Ashby; Aycock; Burkett; Button; Canales; Capriglione; Clardy; Craddick; Cyrier; Dale; Darby; Davis, S.; Farney; Frank; Galindo; Gonzales; González; Hunter; Isaac; Kacal; Keough; King, T.; Landgraf; Larson; Laubenberg; Lozano; Meyer; Miller, D.; Morrison; Murphy; Otto; Paddie; Phelan; Price; Raney; Raymond; Rinaldi; Schubert; Sheets; Sheffield; Spitzer; Stephenson; Stickland; Tinderholt; Turner, E.S.; Villalba; Vo; Walle; White, J.; Zerwas.

Nays — Allen; Alonzo; Alvarado; Anchia; Bell; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burns; Burrows; Coleman; Collier; Cook; Crownover; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Farias; Farrar; Fletcher; Flynn; Frullo; Giddings; Goldman; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Israel; Johnson; Keffer; King, K.; King, P.; Klick; Koop; Krause; Kuempel; Leach; Márquez; Martinez; Martinez Fischer;



McClendon; Metcalf; Miles; Miller, R.; Moody; Muñoz; Murr; Naishtat; Nevárez; Oliveira; Parker; Paul; Peña; Phillips; Pickett; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Shaheen; Simmons; Simpson; Smith; Smithee; Springer; Thompson, E.; Thompson, S.; Turner, C.; Turner, S.; VanDeaver; White, M.; Workman; Wray; Wu; Zedler.

Present, not voting — Mr. Speaker; Geren(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Fallon; King, S.

### STATEMENTS OF VOTE

When Record No. 1760 was taken, I was shown voting no. I intended to vote yes.

Guerra

When Record No. 1760 was taken, I was in the house but away from my desk. I would have voted no.

S. King

When Record No. 1760 was taken, I was shown voting no. I intended to vote yes.

Smith

When Record No. 1760 was taken, I was shown voting no. I intended to vote present, not voting.

S. Thompson

### REASONS FOR VOTE

Despite the many good things in **HR 3425**, I voted no because I cannot in good faith support a limited review of one of the biggest state agencies and one of the agencies most in need of a review—the Texas Department of Transportation. The sunset process exists to shine a light on every corner of our state government and to find ways in which we can ensure government agencies are open, honest, and transparent. I support efforts the legislature takes to improve upon the sunset review process to ensure the government is truly accountable and that it is responsive to the needs of the Texans we are blessed to serve, and I oppose efforts to erode it.

Leach

I voted no for **HR 3425** because I do not agree with the provision for a limited sunset review of TxDOT. I believe that TxDOT should be subjected to a full sunset review. Transportation is one of the most important core government functions, and we need to shine the light on this agency, especially considering the additional funding provided to TxDOT in the last two legislative sessions. The sunset process is about transparency and accountability, and TxDOT must be evaluated in its entirety. This is especially true for TxDOT given past issues in transparency in project prioritization.

Simmons

I chose to vote no on **HR 3425** because I do not agree with the provision allowing for a limited sunset review of the Texas Department of Transportation (TxDOT). Transportation is one of the most important of all government functions and is of immense importance to House District 29. It is crucial to review this agency in its entirety, especially in light of the considerable funding TxDOT has received over the last two legislative sessions. As the sunset process focuses on transparency and accountability, I believe that TxDOT must be evaluated as an agency as a whole.

E. Thompson

**HB 3123 - HOUSE DISCHARGES CONFEREES  
HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Price called up with senate amendments for consideration at this time,

**HB 3123**, A bill to be entitled An Act relating to governmental entities subject to the sunset review process.

Representative Price moved to discharge the conferees and concur in the senate amendments to **HB 3123**.

The motion to discharge the conferees and concur in the senate amendments to **HB 3123** prevailed by (Record 1761): 140 Yeas, 0 Nays, 5 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney;

Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Geren(C); Giddings; Miles; Turner, S.

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Turner, E.S.

### **Senate Committee Substitute**

**CSHB 3123**, A bill to be entitled An Act relating to governmental entities subject to the sunset review process.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

#### **ARTICLE 1. ENTITIES GIVEN 2021 SUNSET DATE**

**SECTION 1.01. TEXAS FACILITIES COMMISSION.** Section 2152.002, Government Code, is amended to read as follows:

Sec. 2152.002. **SUNSET PROVISION.** The Texas Facilities Commission is subject to Chapter 325 (Texas Sunset Act). Unless continued in existence as provided by that chapter, the commission is abolished and this subtitle, except for Chapter 2170 and Section 2157.121, expires September 1, 2021 ~~[2015]~~.

**SECTION 1.02. TEXAS JUVENILE JUSTICE BOARD AND TEXAS JUVENILE JUSTICE DEPARTMENT.** Section 202.010, Human Resources Code, is amended to read as follows:

Sec. 202.010. **SUNSET PROVISION.** The Texas Juvenile Justice Board and the Texas Juvenile Justice Department are subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the board and the department are abolished September 1, 2021 ~~[2017]~~.

**SECTION 1.03. INTERMUNICIPAL COMMUTER RAIL DISTRICTS.** Section 173.005, Transportation Code, is amended to read as follows:

Sec. 173.005. **SUNSET PROVISION.** A district is subject ~~[every 12th year]~~ to review under Chapter 325, Government Code (Texas Sunset Act). A district shall be reviewed during the periods in which state agencies abolished in 2021 and every 12th year after that year are reviewed.

#### **ARTICLE 2. ENTITIES GIVEN 2023 SUNSET DATE**

**SECTION 2.01. EXPANDED LEARNING OPPORTUNITIES COUNCIL.** Section 33.254, Education Code, is amended to read as follows:

Sec. 33.254. **SUNSET PROVISION.** The council is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the council is abolished and this subchapter expires September 1, 2023 ~~[2017]~~.

**SECTION 2.02. STATE COMMISSION ON JUDICIAL CONDUCT.** Section 33.003, Government Code, is amended to read as follows:

Sec. 33.003. SUNSET PROVISION. The State Commission on Judicial Conduct is subject to review under Chapter 325 (Texas Sunset Act), but is not abolished under that chapter. The commission shall be reviewed during the period in which state agencies abolished in 2023 [~~2019~~] and every 12th year after 2023 [~~2019~~] are reviewed.

SECTION 2.03. JUDICIAL BRANCH CERTIFICATION COMMISSION. Section 152.001, Government Code, is amended to read as follows:

Sec. 152.001. SUNSET PROVISION. The Judicial Branch Certification Commission is subject to Chapter 325 (Texas Sunset Act), but is not abolished under that chapter. The commission shall be reviewed during the period in which state agencies abolished in 2023 [~~2019~~] and every 12th year after 2023 [~~2019~~] are reviewed.

SECTION 2.04. TEXAS RACING COMMISSION. Section 18.01(a), Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes), is amended to read as follows:

(a) The Texas Racing Commission is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, and except as provided by Subsections (b) and (c) of this section, the commission is abolished and this Act expires September 1, 2023 [~~2017~~].

#### ARTICLE 3. ENTITIES GIVEN 2025 SUNSET DATE

SECTION 3.01. TEXAS EDUCATION AGENCY. Section 7.004, Education Code, is amended to read as follows:

Sec. 7.004. SUNSET PROVISION. The Texas Education Agency is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the agency is abolished September 1, 2025 [~~2015~~].

SECTION 3.02. STATE EMPLOYEE CHARITABLE CAMPAIGN POLICY COMMITTEE. Section 659.140(i), Government Code, is amended to read as follows:

(i) The state employee charitable campaign policy committee is subject to the Texas Sunset Act. Unless continued in existence as provided by that chapter, the committee is abolished and Government Code, Chapter 659, Subchapter I, and Sections 814.0095 and 814.0096 expire on September 1, 2025 [~~2017~~].

#### ARTICLE 4. ENTITIES REMOVED FROM SPECIFIC SUNSET REVIEW

SECTION 4.01. SULPHUR RIVER BASIN AUTHORITY. Section 1A, Chapter 3, Acts of the 69th Legislature, 1st Called Session, 1985, is repealed.

SECTION 4.02. PORT OF HOUSTON AUTHORITY OF HARRIS COUNTY, TEXAS. Section 5007.203, Special District Local Laws Code, is repealed.

SECTION 4.03. CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY. Section 451.459, Transportation Code, is repealed.

## ARTICLE 5. EFFECTIVE DATE

SECTION 5.01. EFFECTIVE DATE. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

(Speaker in the chair)

**HR 3467 - ADOPTED**  
**(by Fletcher)**

The following privileged resolution was laid before the house:

**HR 3467**

BE IT RESOLVED by the House of Representatives of the State of Texas, 84th Legislature, Regular Session, 2015, That House Rule 13, Section 9(a), be suspended in part as provided by House Rule 13, Section 9(f), to enable the conference committee appointed to resolve the differences on **SB 11** (the carrying of handguns on the campuses of and certain other locations associated with institutions of higher education; providing a criminal penalty) to consider and take action on the following matters:

(1) House Rule 13, Section 9(a)(2), is suspended to permit the committee to omit text not in disagreement in SECTION 1 of the bill, by omitting added Sections 411.2031(f) and (g), Government Code. The omitted text prohibits carrying a concealed handgun on the premises of a hospital maintained or operated by an institution of higher education or private or independent institution of higher education or the premises of certain schools located on the campus of such an institution, if certain signs are posted.

Explanation: The omission of the text is necessary to remove a requirement that certain signs be posted to prohibit the carrying of concealed handguns on the premises of a hospital maintained or operated by an institution of higher education or private or independent institution of higher education or the premises of certain schools located on the campus of such an institution.

(2) House Rule 13, Section 9(a)(2), is suspended to permit the committee to omit text not in disagreement in SECTION 3 of the bill, in amended Section 46.03, Penal Code, by omitting added Subsections (j) and (k). The omitted text prohibits carrying a concealed handgun on the premises of a hospital maintained or operated by an institution of higher education or private or independent institution of higher education or the premises of certain schools located on the campus of such an institution, if certain signs are posted.

Explanation: The omission of the text is necessary to remove a requirement that certain signs be posted to prohibit the carrying of concealed handguns on the premises of a hospital maintained or operated by an institution of higher education or private or independent institution of higher education or the premises of certain schools located on the campus of such an institution.

**HR 3467** was adopted by (Record 1762): 103 Yeas, 39 Nays, 1 Present, not voting.

Yeas — Allen; Alonzo; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Capriglione; Clardy; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Deshotel; Elkins; Faircloth; Fallon; Farney; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Goldman; Gonzales; Guerra; Guillen; Gutierrez; Harless; Herrero; Huberty; Hughes; Isaac; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Martinez; Martinez Fischer; Metcalf; Meyer; Miller, D.; Miller, R.; Moody; Morrison; Murphy; Murr; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Price; Raney; Riddle; Rinaldi; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Simmons; Smith; Smithee; Springer; Stephenson; Stickland; Thompson, E.; Tinderholt; Turner, E.S.; VanDeaver; Villalba; White, J.; White, M.; Workman; Wray; Zedler; Zerwas.

Nays — Alvarado; Anchia; Blanco; Canales; Coleman; Collier; Davis, Y.; Dutton; Farias; Farrar; Giddings; González; Hernandez; Howard; Hunter; Israel; Johnson; Lozano; McClendon; Miles; Muñoz; Naishtat; Nevárez; Oliveira; Pickett; Raymond; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sheffield; Simpson; Spitzer; Thompson, S.; Turner, C.; Turner, S.; Vo; Walle; Wu.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Davis, S.; Dukes; Márquez; Reynolds.

#### **STATEMENTS OF VOTE**

When Record No. 1762 was taken, I was shown voting no. I intended to vote yes.

Hunter

When Record No. 1762 was taken, I was shown voting no. I intended to vote yes.

Lozano

When Record No. 1762 was taken, I was temporarily out of the house chamber. I would have voted no.

Márquez

When Record No. 1762 was taken, I was shown voting no. I intended to vote yes.

Muñoz

When Record No. 1762 was taken, I was shown voting no. I intended to vote yes.

Raymond

#### **SB 11 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Fletcher submitted the conference committee report on **SB 11**.

**SB 11 - REMARKS**

REPRESENTATIVE FLETCHER: Ladies and gentlemen, one last time as I lay this out, I'd like to make the point for everyone here. I think that the media and some of the family members, as well as students at our universities, and professors, have made much ado about nothing. This is a bill that addresses the fact that we gave 880,000 people in our great state the right to carry concealed, and out of that 880,000, over 20,000 of them are between the ages of 21 and 25. You have to be 21 years old to have a CHL. I've had many mothers call me and say, please don't let there be guns on the campus with my children. I want the people of Texas to know that CHL holders are carrying concealed weapons on our college campuses today and have been for almost 20 years. There are certain places on our campuses where you cannot carry a concealed weapon, and in this bill that we're laying out today, those places are enumerated and very specific with what was, ironically, the 30.06 statute, which sounds like a weapon in itself.

But I will tell you that the men and women of Texas that carry CHL have been sitting on our campuses—under trees, on steps, studying, and waiting to go into classrooms. And we have been asking them to go back to their car and put their weapon up or leave their weapon in their vehicle or not bring it to the campus at all. Or the thing that has concerned me since the day this bill was brought to me—there are literally men and women that have never broken the law, that have reached the age of 21, that received their right to legally carry a CHL. Are we forcing them to commit a felony by making the decision to go into the classroom with their weapon concealed, attend class and leave, and feel like they're protecting themselves as they walk to and from their vehicle on our campuses? This bill will do nothing more than protect the men and women that are carrying concealed on our campuses. And it's very clear that the presidents of the university—that the regents—will make decisions about where they can carry and about what buildings they can carry in. We've had a lot of good commonsense suggestions about daycares, about hospitals. We've got a lot of pushback on the fact that we have our private institutions. They're private property. It's an issue we can address—the schools are going to take care of that. I just feel that the time has come for us to protect the men and women of Texas that are carrying concealed on our campuses.

REPRESENTATIVE MOODY: Section (d-1) of the bill—there are a couple of phrases there—this is the part of the bill that allows the president along with students, staff, and faculty of the institution to craft provisions specific to their campus. And I know this was partially an amendment to the bill, but then I think it got reworked also in conference. There are three phrases here, and I just want to make sure that I'm clear. What they're basing that decision on—there's a phrase—the nature of the student population. Is "nature of the student population" defined anywhere in **SB 11** or elsewhere?

FLETCHER: No.

MOODY: And then the next phrase is specific safety considerations. Is that defined anywhere?

FLETCHER: No. That's just common sense.

MOODY: And the uniqueness of the campus environment. Is that phrase defined anywhere in the bill?

FLETCHER: No. That would be something determined by the regents and by the president themselves.

MOODY: So in terms of (d-1), the way those phrases are interpreted and defined, we've left up to the local president, their students, their staff, and faculty of the institution. Is that correct? Is that the intent?

FLETCHER: Yes, we have. It does.

MOODY: What we're doing here under the bill is allowing for those who have a CHL to carry on a campus of the institution or on premises located on a campus of that institution. Is that correct?

FLETCHER: Correct.

MOODY: Now, did we change the definition of premises or is it the same definition that's housed in 46.035 of the Penal Code?

FLETCHER: It's the exact same.

MOODY: So that definition says buildings or portions of buildings. So we're not changing anything of that nature.

FLETCHER: Not changing anything. No.

MOODY: You mentioned a little bit in your layout of specific places that are named in other provisions. So there's 46.03 and 46.035 of the Penal Code that reference schools. So we're carving out universities here, and I think junior colleges are delayed implementation until 2017. That's correct?

FLETCHER: Correct, yes. They had an issue, Joe, that they might have high school students doing dual credits and being on premises. And we've learned through our studies on this—they might have the students offsite together, or they might actually be intermingled. They wanted a chance to address that subject, and we thought that was fair.

MOODY: Under current law today—preschools, elementary schools, middle schools, high schools, charter schools—even if you're a CHL holder, you can't carry a weapon onto those campuses, no matter what.

FLETCHER: That's correct.

MOODY: I think there's maybe an affirmative defense in there somewhere. But there's a blanket prohibition on those premises?

FLETCHER: Correct. This doesn't affect that at all. This is college campuses.

MOODY: If those types of premises are located on an institution—campus or institution—we're not doing anything to undermine the current law in terms of the prohibition on those campuses, correct?

FLETCHER: In no way.



MOODY: On those premises—let me be very specific in language—we don't intend to do that?

FLETCHER: Not in any way.

MOODY: What about in hospitals and churches? Can they post a 30.06? So let's say they're off of campus or the institution, and they post those to give notice to those who have a concealed carry license that they're not allowed to carry a gun onto those premises. That's the current state of the law off campuses, on campuses. Right?

FLETCHER: Correct. And that's our law for our state and has nothing to do with this bill.

MOODY: We're not going to change that while we're allowing it on campuses or certain institutions managed by campuses. As it relates to hospitals and churches, they're going to be treated the same as they are under current law. Is that correct? That's the intent?

FLETCHER: That is correct.

MOODY: Would a preschool, elementary school, middle school, high school, or charter school have to post a 30.06 sign just because they happen to be located on a campus of an institution—under this bill?

FLETCHER: I think that would be up to the president and the regents, but the law itself is clear that you can't carry in those locations. I would venture to say that they would probably put the 30.06 sign on those buildings on the campus.

MOODY: That they would be required to under the bill?

FLETCHER: No. I think they probably would. They're not required.

MOODY: So they can? There's nothing that restricts them from putting it there?

FLETCHER: That's right.

MOODY: But they're not required to, to trigger the penalties in the code?

FLETCHER: Correct.

MOODY: That's what I want to make sure we're fleshing out. And the same would go for hospitals and churches? They post—they're treated the same way they are off of campuses on campus even with this bill in place?

FLETCHER: Absolutely.

MOODY: Nowhere in **SB 11** do we change those portions of the law?

FLETCHER: No, not at all.

REPRESENTATIVE GIDDINGS: Representative Fletcher, I mentioned the other day when I was at the front mic that I've gotten more letters from parents and people concerned about this than any bill since I've been in the legislature. And I think that you mentioned just now that you've had your share of these letters as well. Is that true?

FLETCHER: Yes, ma'am.

GIDDINGS: But, basically, I think you followed up to say that you think that these parents and these people who are writing us are making much ado about nothing. What did you mean?

FLETCHER: Well, I mean that there are already people carrying concealed on our college campuses. And your analogy the other day when you talked about the tragedy of some of the lives that have been lost and folks that have been assaulted on our campuses—I say, with all due respect, that I believe that if those individuals could have been carrying concealed, they might have been able to protect themselves.

GIDDINGS: Well, basically, many of the people who have been writing us—and I'm sure they were sharing that message with you—said to us, in spite of our tragedy, we are asking you to look beyond our tragedy, as big as that is, because we think there's a bigger picture out there. And this does not solve, they believe, the problem that happened to their loved ones. Did some of them indicate that to you in their letters?

FLETCHER: Many folks have said that they, under no circumstances, want this bill to allow someone to carry on campus in a classroom. But, with all due respect, it's my contention that they're already carrying on campus. And what this bill does is keep the men and women of Texas who live to be at least 21 years of age and have the right to carry a CHL—it keeps them from putting themselves in a position, just to protect themselves, from breaking the law of our state. And I think this bill will protect them.

GIDDINGS: If they are already carrying, Representative Fletcher, and on the campuses, in spite of the fact that they are prohibited in doing so—

FLETCHER: No ma'am, they are not prohibited from doing so. They're allowed to carry, under law, on campus. They're prohibited from going into the classroom, and that's where the breakdown is. Because if you're not allowed to go into the classroom with your concealed weapon, and no one in the classroom would know that you're carrying your concealed weapon—that keeps you from having it at all, because you'd have to take it all the way back. If you've been on a college campus lately, the cars are not close to the classrooms.

GIDDINGS: You obviously have put a lot of thought into this. So do you think that those guns that are prohibited from being in the classrooms are now in the classrooms?

REPRESENTATIVE S. TURNER: This is an important bill that we are dealing with in the legislature right now—allowing students to carry guns on college campuses. Now, Representative Fletcher says that they're already doing it. And Representative Fletcher says that it is already legal for them to do. And to the extent that is the case, I think it does beg the question—then why do we have this bill, and who are we carrying this bill for? And if Representative Fletcher's response to Representative Giddings is true, then his response is, because they cannot carry guns into the classroom. Or they may not be able to carry guns into the dormitory. Well, if that's the case and if the conference committee report is true and if the presidents, for example, have the ability to say no to classrooms

and no to dormitories, then something is at conflict. Because what I think the authors would have us believe with the conference committee report is that the college president, after consulting with the students and others, can segment or segregate or say that there are certain areas where these guns are not allowed. And I think there's some inherent tension in the bill, and I think we have a problem. But one of the main reasons why I wanted to speak on this bill is because—well, several reasons. One, this bill should not be on the floor, and this bill should never have come out of conference. And we are dealing with this bill today, but this bill should not be on the floor, and this bill never should have left conference. And that burdens me. That will be one of the things that burdens me as I prepare to leave this house.

The other thing is that we talk about a zone—a gun-free zone. Let me just say that in talking about guns, it's not like talking about cigarettes. This is not synonymous to a smoke-free zone. So when you have a gun-free zone, what does that mean? Because if the student center, for example, is a gun-free zone, how do you get to the student center with a gun? What's the practical effect of that? Or if it's some other building on the campus, how do you get to that building with a gun? How does a student get to this gun-free zone? Is the intent of the bill to say that they have to dismantle their gun and then put it together when they get to the gun-free zone? That doesn't make any sense. Or is the intent to say that somebody with a helicopter would have to drop the gun down? That doesn't make any sense. And so for a student to get to the gun-free zone, the student has to carry the gun to the gun-free zone. And is the intent of the bill to say you can't do anything but come to the campus and, Representative Parker, just go straight to the gun-free zone and do nothing else? Are we to believe that college students are going to come to the campus with a gun and go directly to the gun-free zone and do nothing else? Take yourselves back a few years and ask whether or not you would just go to the campus and go straight to that particular point or would you go to many other places before you get to the—

This bill is totally impractical. It is totally impractical. And then how do you enforce it? The bill says that if someone intentionally violates the bill, then there is an offense. Intentionally? What does that mean? If I'm a college student, and I've got my gun, and someone stops me, what is my response? If I'm their lawyer I simply say to them, you tell them you're going to the gun-free zone. You're just taking your time in getting there, but that's where you're heading. The bill is difficult to enforce. It is not a practical bill.

And then lastly, we're not providing any more money to the campus police. There's nothing in our appropriations bill that provides our colleges, our universities, community colleges with additional money to take care of something that the legislature is mandating on them. Colleges and universities did not come to us for this bill. We are mandating them, telling them—you must allow a gun-free zone. That's a mandate on them, and we're not providing any additional funding. Instead of mandating that they have a gun-free zone, why don't we take some steps to make sure that they have some grant money? So that kids who want to go to a community college or want to go to a college or university—that they have some grant money so that they can go. Why don't we make sure that we

provide enough money to our universities so these kids can have some books in their hands, rather than allowing them to carry a gun in their hand, when they go to colleges campuses and universities? Why don't we provide some additional resources so they can have sufficient laboratory equipment? Why don't we build more Tier One institutions in this state instead of having just the few that we have? Texas has to get past its obsession with guns and start placing its resources on our students and on our colleges and institutions.

Now, lastly, we leave it up to the presidents and to the students. Well, let me tell you, many of these college presidents are going to be reluctant. They're going to be reluctant to put too many restrictions on their college campuses because we may not give them, Representative Phillips, the funds that they need for their institutions. And some of you may find that okay—and that's unfortunate, too. But I'd rather be known in the State of Texas as a state that made sure that our kids were adequately educated, made sure that they were competitive for the global market, made sure that our colleges and universities were the best in any state or the best in this world, wanted to make sure that they have the resources that they need. I would rather for Texas to be known for that than for this bill that does nothing to further the education of our college students regardless of which university they may attend. This should not be the banner headline from this legislative session. This bill does not serve the best interest of the students of the State of Texas. And quite frankly, whether they're a student at some university or someone who is not a student at all, it does not send the right message to our young people in this state. It doesn't send the right message, and I hope you will vote no against it.

REPRESENTATIVE C. TURNER: You mentioned that the legislature is not providing funds to our universities to deal with this law as they implement it. As vice chairman of the Appropriations Committee, was there any discussion during the appropriations process that in the event we pass campus carry that we need to provide additional funds to our universities? Particularly in light that the UT System—just one system—said it could cost up to \$39 million to implement this law.

S. TURNER: As far as I know, there is no money in this budget that we just approved to cover this mandate that we are forcing on our colleges and universities—not one dime. And there was a time in this house where we were opposed to mandates without the resources to go right along with it.

C. TURNER: We used to be, that's right. I asked Chancellor McRaven of the UT System in a letter a few weeks ago about the impact of this bill were it to pass. And I asked him specifically where the revenue would come from to pay for the costs to implement this bill. And he said, as you know, operational expenses for an institution of higher education are paid from two primary sources—state appropriations and tuition. In addressing these costs our campuses will either need increased revenue or be compelled to reduce or discontinue other services or activities and redirect that revenue.

S. TURNER: Let me add to that. And please bear in mind, members—and Chairman Miller, you can speak to this—we didn't provide the money for Hazlewood. That's a financial obligation on our colleges and universities. So they're still on the hook for that. Now we are imposing this mandate. We provide no additional money for their campus police or security. I ask you to vote no.

REPRESENTATIVE CANALES: Did **SB 11** go to conference committee?

SPEAKER STRAUS: Yes.

CANALES: Was the conference committee allowed to go outside the bounds during that conference committee?

SPEAKER: Yes.

CANALES: It's my understanding that the conference committee was allowed to go outside the bounds on Sections 1 and 3. Is that correct?

SPEAKER: Mr. Canales, there's a resolution that was passed that specifies where they were allowed to go outside the bounds.

CANALES: What sections does that resolution state that they were allowed to go outside the bounds?

SPEAKER: Sections 1 and 3.

### **SB 11 - POINT OF ORDER**

Representative Canales raised a point of order against further consideration of **SB 11** under Rule 13, Section 9 of the House Rules on the grounds that text of the bill that was not in disagreement between the two houses was changed.

The speaker overruled the point of order and submitted the following statement:

Representative Canales raised a point of order against further consideration of **SB 11** under Rule 13, Section 9 of the House Rules arguing that the text of Section 8 of the conference committee report (a transition provision relating to the date institutions of higher education, both public and private, must take certain actions related to a "campus carry" law) required a resolution to go outside the bounds. The point of order is respectfully overruled.

The senate version of the provision had: (1) an effective date of September 1, 2015; and (2) required all institutions of higher education to take action by that date. The house version of the provision (1) had an effective date of September 1, 2016; and (2) allowed institutions of higher education, both public and private, time to take action to adopt rules related to the act. The conference committee report: (1) had an effective date of August 1, 2016 (a matter resolving the disagreement in the text between the house and senate version); and (2) allowed certain institutions the ability to act to adopt rules and gave public junior colleges additional times to act (adjusting the difference between the senate view of "no discretion" and the house view giving all institutions the ability to act).

Because Section 8 of the conference committee report reflects that the conferees properly limited their discussion and their actions to solely matters in disagreement between the two houses, there was no rule violation and the point of order under Rule 13, Section 9(a) of the House Rules is respectfully overruled.

REPRESENTATIVE ALLEN: It was my privilege last evening to attend the graduation ceremonies of Bellaire High School in Houston, Texas. Over 800 graduates were in that class, including one of my grandsons. As I sat there and watched them go across the stage, jubilant, excited about where they were going to go to college, I said, little do they know that when they get to college, they will be met with an entourage of guns—everybody carrying a gun. There is a reason why insurance companies charge a higher premium to insure students under 25 years of age—because research has shown that drivers under the age of 25 have a higher incidence of accidents. They know, through research, that they do not have the cognitive skill and development to always make the rational decisions. Most of them have no fear of death, and you and I know, just from car accidents, that high school and college students have a higher rate of incidence. Ever heard of a college student shooting another college student because he or she was talking to his or her girlfriend or boyfriend? Yes, I have. Ever heard of a teacher being shot by a student because she did not or he did not give him the correct grade or the grade that he thought he should have? I have. You ever heard of students who have roommates who could not get along in their dormitories and shoot each other because they don't have the social skills to get along? I have. Ever heard of a student shooting a professor who denied his dissertation theme or thesis theme or did not give him or her the correct grade and might have prevented them from graduating that semester? I have. Have you ever seen on the news, incidents of police shooting someone because he or she had a gun, or I thought they had a gun on their person? And the canned statement was used in defense—I was fearing for my life and acted in defense. Until it is your son or daughter, your niece, your nephew, your wife or husband they put in the body bag and carry it to the morgue and prepare for burial, you will never understand the unintended consequences of those decisions that you make today.

Remember, you are making laws that will impact lives for generations to come. Will someone's death be your legacy? Remember, we were elected by the people to protect, serve, and defend our constituents. This campus carry bill does just the opposite. I've spent many years on a college campus—as an undergrad, a grad, master's degree, and a doctoral student—and I have never, never thought that I needed to carry a gun on my person. We send our children off to college to bring back a degree in their hands, not to bring them back in a body bag or a suit with stripes, ready to go off to prison. That is not the legacy that we intend to give them today, but that is exactly what we are doing.

REPRESENTATIVE ZEDLER: Representative Allen, let me ask you this—there are 14 states that have already passed campus carry. Could you tell me, in any of those cases, where the campuses in those states are having a problem with this bill?

ALLEN: No, I don't know that there are 14 states. I just don't know that research.

ZEDLER: Well, there are 14 states, and the reason you haven't heard of any problems in the campuses of those states is because there haven't been any. Because, I assure you, had there been any, it would have been slapped all over the place while we were discussing this bill. And let me ask you one other question—

ALLEN: No, I want to respond to that one first.

ZEDLER: Okay.

ALLEN: Then what is the problem we're trying to solve by voting for this bill today? If there are no incidences, there are no needs for guns. What are we trying to solve?

ZEDLER: We're doing what a lot of the other states have already done. And what it boils down to is in every case where they've had a mass shooting, it's always been in a gun-free zone.

ALLEN: That just reminds me of statements my mother used to make. You want to do what everybody else is doing? Even though it's wrong?

ZEDLER: No, it's not wrong. The fact of the matter is if there were problems, it would be wrong, but there have been no problems. And in each one of the cases you talked about, could you tell me any of those where the people who did the shooting owned or possessed a weapons license—a concealed weapons license?

ALLEN: I don't know.

ZEDLER: Thank you very much. Maybe that goes a lot to tell you that there hasn't been a problem with people who have concealed weapons licenses, because the rate of crime in that group is lower than even police officers.

ALLEN: Then we don't really need this bill if there is no problem.

REPRESENTATIVE MARTINEZ FISCHER: I will be brief, and there's no sense in repeating what's been said. I could not agree more with what Sylvester Turner said—Representative Turner said. I agree with him wholeheartedly. But it has come to my attention, though, in the deliberation of **SB 11** in the senate yesterday, that there were a number of things said about this conference report—what it did and what it didn't do. And while I don't take this microphone and rise to question or judge anything said by any member of this house or of the senate, I will certainly say the words in the conference committee report that exist in various sections—as illustrated by Representative Moody in his legislative intent questions with Chairman Fletcher—completely disagree with those remarks and sentiments made by Senator Birdwell and Senator Taylor. I will say that the basis by which I believe that to be the case is, in fact, the language asserted in Sections (d-1) and (d-2) and in Section 8 was language offered by the house. Those were our words. It is our intent. It is their acquiescence to our words and that intent that made the basis of this conference committee report. And while I appreciate the changes in the legislation, I appreciate the fact that this bill has some improvements—by empowering our local presidents, by demanding local control, by requiring a two-thirds override from system offices—that that control stays local. So those local presidents, when they're dealing with students and

parents and community leaders and business leaders, they will face those men and women when they draw this policy. It will not be drawn by somebody in a far away place who may never go to your district or to your campus.

I will also say that while I will be voting no on this bill, I don't believe this fight is over. I believe this fight is only beginning. Many of you know the advocates, the stakeholders, the safety groups who have rallied not just from Austin, Texas or from your district but from this entire state, if not from this nation. When it comes to combating the onset of gun violence, whether it be on campus or in the public street, this now empowers those groups to continue that fight, shape the debate, shape the policy where it matters most—at home. The delayed implementation of this bill gives those stakeholders—when this bill, should it become law in September—it gives them practically another nine months to get this policy right. And so this should be a message to all the students who will face this unfortunate reality, all the faculty members negotiating their contracts, all the donors making decisions to give money, and all of the moms who demand action, all the dads who demand action, all the grandparents who demand action. We have nine months to shape a policy. And whatever happens in San Antonio—it might be different in Houston, it may be different in the Rio Grande Valley—we will have a patchwork of policies that fit the uniqueness of the campus. But most importantly, it will be done locally.

So while I appreciate the work of the other conferees and myself and that of Representative Joe Moody, I will be respectfully voting no. But for those of you who have the gun list on your bucket list, you can check that box. You can check that box for the 84th. We began with guns, we took a break in the middle with guns, and now we're ending on guns. We are done with guns in the Texas House. Let's come up with practical solutions to complex problems. Let's put some money in schools. Let's put care back in health care. Let's fix roads. Let's do a water grid, Representative Larson. Let's do what we need to do to move this state down the road. We don't need laws for guns. We need a safe environment. We need a prosperous environment. And let's not spend any more time talking about guns, and let's get about that business of the state.

GIDDINGS: **SB 11**'s passage will contribute to a much more dangerous situation on the campuses of our colleges and universities. Even those people who have fallen to tragic situations on our campuses, those folks are pleading with us not to pass this legislation. At 3:27 p.m. today, I received an e-mail from Erin Cozart. And as a part of that, this group of campus shooting survivors are saying to us, and I quote: "Do not use our tragedies to rationalize bad policy. Instead, please listen to those who have experienced gun violence on college campuses and reject this dangerous legislation." Who is in a better position to speak than people who have been affected? Students and professors have told me they will be intimidated in terms of their ability to debate ideas and thoughts in the classroom. Every professor I have talked to is against this legislation, and some of them I have talked to said they will no longer go into classrooms if they know that there are students in there with guns. Drinking is all too prevalent on our campuses. We



all read about what is happening in some of these fraternity houses with all of the alcohol. When you couple the alcohol with guns, we have a much more volatile situation.

There are costs associated with this bill in terms of lockers to house these guns. And whatever those costs are, those costs will be born by taking money appropriated to these universities for academic measures and used on things associated with campus carrying. And we could even increase tuition in order to bear these costs. This bill is confusing, and there's no way that you can ever enforce it. So universities are telling us that they don't want these guns in laboratories, but they will be able to carry them in some classrooms. Who is going to enforce that once the guns are allowed on the campuses? There is no way of enforcing you can't use it here or you can't have it there. Who's going to enforce that? The only way you could do that was walk up to a student and say, do you have a concealed gun? Then you would be stopping a student, asking a question without probable cause. So there's no way you can do that. This bill is confusing, and, in the end, it is absolutely unenforceable. And I apologize to my two grandsons who are in college in this state—in state universities—for what we are doing to their environment today. Not only do I apologize to them, I apologize to all of the college students and all of the professors in this state. This is a bad bill.

FLETCHER: I want to thank all of the members of the legislature for what we've gone through, and I move passage.

Representative Fletcher moved to adopt the conference committee report on **SB 11**.

The motion to adopt the conference committee report on **SB 11** prevailed by (Record 1763): 98 Yeas, 47 Nays, 1 Present, not voting.

Yeas — Anderson, C.; Anderson, R.; Ashby; Ayccock; Bell; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Capriglione; Clardy; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Elkins; Faircloth; Fallon; Farney; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Goldman; Gonzales; Guillen; Harless; Huberty; Hughes; Hunter; Isaac; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Metcalf; Meyer; Miller, D.; Miller, R.; Morrison; Murphy; Murr; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Price; Raney; Riddle; Rinaldi; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Tinderholt; Turner, E.S.; VanDeaver; Villalba; White, J.; White, M.; Workman; Wray; Zedler; Zerwas.

Nays — Allen; Alonzo; Alvarado; Anchia; Bernal; Blanco; Canales; Coleman; Collier; Davis, Y.; Deshotel; Dutton; Farias; Farrar; Giddings; González; Guerra; Gutierrez; Hernandez; Herrero; Howard; Israel; Johnson; Márquez; Martinez; Martinez Fischer; McClendon; Miles; Moody; Muñoz;

Naishtat; Nevárez; Oliveira; Pickett; Raymond; Reynolds; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sheffield; Thompson, S.; Turner, C.; Turner, S.; Vo; Walle; Wu.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes.

### MESSAGE FROM THE SENATE

A message from the senate was received at this time (see the addendum to the daily journal, Messages from the Senate, Message No. 2).

### HB 382 - CONFERENCE COMMITTEE REPORT ADOPTED

Representative Canales submitted the following conference committee report on **HB 382**:

Austin, Texas, May 26, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 382** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Lucio  
Bettencourt  
Campbell  
Creighton  
Hinojosa

On the part of the senate

Canales  
Lucio  
Lozano  
Cyrier  
Longoria

On the part of the house

**HB 382**, A bill to be entitled An Act relating to public junior college district branch campuses, including a requirement that the South Texas Community College District adopt and implement a plan to expand opportunity for instructional programs in a certain location.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 130, Education Code, is amended by adding Subchapter K to read as follows:

#### SUBCHAPTER K. BRANCH CAMPUSES

Sec. 130.254. SOUTH TEXAS COMMUNITY COLLEGE DISTRICT; INSTRUCTIONAL PROGRAMS IN EDCOUCH OR ELSA. The board of trustees of the South Texas Community College District shall adopt and implement a plan to expand opportunity for instructional programs consisting of postsecondary courses leading to an associate degree offered in a classroom

setting within the corporate limits of the municipality of Edcouch or Elsa. Any instructional program provided under this section is subject to the requirements of Section 130.251.

SECTION 2. Sections 130.086, 130.0865, and 130.087, Education Code, are transferred to Subchapter K, Chapter 130, Education Code, as added by this Act, redesignated as Sections 130.251, 130.252, and 130.253, Education Code, and amended to read as follows:

Sec. 130.251 [~~Sec. 130.086~~]. BRANCH CAMPUSES. (a) The board of trustees of a junior college district may establish and operate branch campuses, centers, or extension facilities within the junior college district's service area, provided that each branch campus, center, or extension facility and each course or program offered in such locations is subject to the prior and continuing approval of the Texas Higher Education Coordinating Board.

(b) Such branch campuses, centers, or extension facilities shall be within the role and scope of the junior college as determined by the Texas Higher Education Coordinating Board [~~Coordinating Board, Texas College and University System~~].

(c) The board of trustees of a junior college district may accept or acquire by purchase or rent land and facilities in the name of the junior college district within the junior college district's service area.

(d) Before any course may be offered by a public junior college within the service area of another operating public junior college, it must be established that the second public junior college is not capable of or is unable to offer the course. After the need is established and the course is not locally available, then the first public junior college may offer the course when approval is granted by the Texas Higher Education Coordinating Board.

(e) The board of trustees of a junior college district may enter cooperative agreement with independent, common, or county school districts, state or federal agencies as may be required to perform the services as outlined in this section.

(f) Notwithstanding Subchapter J, the service area of a junior college district does not include territory within the boundaries of the taxing district of another junior college district. If a branch campus, center, or extension facility operated by a junior college district outside its taxing district becomes located within the taxing district of another junior college district when the other district is established or annexes the territory that includes the campus, center, or facility, the junior college district operating the campus, center, or facility must discontinue the campus, center, or facility within a reasonable period, not to exceed one academic year. The junior college district in which the campus, center, or facility is located must fairly compensate the junior college district that discontinues the campus, center, or facility for any capital improvements that the discontinuing district acquired or constructed for the campus, center, or facility, to the extent the discontinuing district is otherwise unable to recover the current value of its investment in that capital improvement, as determined by the Texas Higher Education Coordinating Board.

(g) Subsections (a) and (c) do not apply to a branch campus, center, or extension facility that is established before September 1, 1999.

(h) This section does not affect the authority of the Texas Higher Education Coordinating Board regarding the continued operation of a branch campus, center, or extension facility.

Sec. 130.252 [~~Sec. 130.0865~~]. SECURITY FOR REVENUE BONDS ISSUED FOR BRANCH CAMPUS, CENTER, OR EXTENSION FACILITY. Bonds payable from revenue and issued by the governing body of a county or school district to finance the purchase of land or the construction of a facility to be used for a branch campus, center, or extension facility authorized under Section 130.251 [~~130.086~~] may be secured by a trust indenture, a deed of trust, or a mortgage granting a security interest in the applicable land or facility.

Sec. 130.253 [~~Sec. 130.087~~]. BRANCH CAMPUS MAINTENANCE TAX. (a) The governing body of a school district or a county may levy a junior college district branch campus maintenance tax as provided by this section at a rate not to exceed five cents on each \$100 valuation of all taxable property in its jurisdiction.

(b) On presentation of a petition for an election to authorize a junior college district branch campus maintenance tax signed by not fewer than five percent of the qualified voters of the jurisdiction in which the proposed tax is to be levied, the governing body of the school district or county, as applicable, shall determine the legality and the genuineness of the petition and, if it is determined to be legal and genuine, forward the petition to the Texas Higher Education Coordinating Board. The governing body of a county with a population of 150,000 or less, on completion of a needs assessment analysis showing adequate need and on approval by the coordinating board, on its own motion and without the presentation of a petition, may propose an election to authorize a branch campus maintenance tax.

(c) The Texas Higher Education Coordinating Board [~~coordinating board~~] shall determine whether the requirements provided by Subsections (a) and (b) [~~of this section~~] have been satisfied and whether the proposed tax is feasible and desirable under the coordinating board's rules for junior colleges. In making its decision on the feasibility and desirability of the tax, the coordinating board shall consider the needs of the junior college, the needs of the community or communities served by the branch campus, and the welfare of the state as a whole. The commissioner of higher education shall deliver to the governing body of the school district or county, as applicable, the order of the coordinating board authorizing or denying further action in the levying of a junior college district branch campus maintenance tax.

(d) If the coordinating board approves the establishment of the junior college district branch campus maintenance tax, the governing body of the school district or county, as applicable, shall enter an order for an election to be held in the territory under its jurisdiction not less than 20 days nor more than 60 days after the date on which the order is entered to determine whether the junior college district branch campus maintenance tax may be levied. In the case of joint school district or joint county elections, by mutual agreement of the governing bodies, the elections shall be held on the same date throughout the jurisdictions.

(e) The president of the board of trustees of the school district or the county judge, as applicable, shall give notice of the election in the manner provided by law for notice by the county judge of general elections.

(f) The governing body of the school district or county, as applicable, shall procure the election supplies necessary to conduct the election and shall determine the quantity of the various types of supplies to be provided for use at each precinct polling place and early voting polling place.

(g) Any qualified voter residing within the boundaries of the jurisdiction in which the tax may be levied is entitled to vote at the election.

(h) The ballot shall be printed to provide for voting for or against the proposition: "The levy of a junior college district branch campus maintenance tax in an amount not to exceed (insert a number not higher than five) cents on each \$100 valuation of all taxable property in \_\_\_\_\_. " (insert name of school district or name of county, as applicable).

(i) To be adopted, the measure must receive a favorable vote of a majority of those voting on the measure.

(j) Not later than the 10th day after the date of the election, the governing body shall canvass the returns of the election and shall enter an order declaring the result of the election.

(k) The proceeds of the junior college district branch campus maintenance tax may be used only as follows:

(1) to operate and maintain a junior college district branch campus and support its programs and services in the area of the political subdivision that levied the tax; and

(2) under an agreement by the applicable junior college district and the political subdivision levying the tax, to make lease payments to the political subdivision for facilities used exclusively by the branch campus that are owned by the political subdivision.

(l) The governing body of the school district or county approving the junior college district branch campus maintenance tax shall set the tax levy.

(m) The junior college district shall maintain and furnish any records and reports required by the Texas Higher Education Coordinating Board [~~Coordinating Board, Texas College and University System~~]. The reports shall be made available routinely to the governing body of the jurisdiction in which the tax is levied, and to members of the general public on request.

(n) This section does not affect the authority of any jurisdiction levying a junior college district branch campus maintenance tax to create a junior college district in the jurisdiction.

SECTION 3. Section 45.105(f), Education Code, is amended to read as follows:

(f) Funds from a junior college district branch campus maintenance tax levied by a school district board of trustees under Section 130.253 [~~130.087~~] may be used as provided by that section.

SECTION 4. Section 51.406(b), Education Code, is amended to read as follows:

(b) To the extent that any of the following laws require reporting by a university system or an institution of higher education, a university system or institution of higher education is not required to make the report on or after September 1, 2013, unless legislation enacted by the 83rd Legislature that becomes law expressly requires the institution or system to make the report:

- (1) Section 7.109;
- (2) Section 33.083;
- (3) Section 59.07;
- (4) Section 130.251 [~~130.086~~];
- (5) Section ~~325.007~~, Government Code;
- (6) Section 669.003, Government Code;
- (7) Section 2005.007, Government Code;
- (8) Section 2054.097, Government Code;
- (9) Chapter 2114, Government Code; and
- (10) Section 2205.041, Government Code.

SECTION 5. Section 130.254, Education Code, as added by this Act, applies beginning with the 2019-2020 academic year.

SECTION 6. This Act takes effect September 1, 2015.

(Sheets in the chair)

Representative Canales moved to adopt the conference committee report on **HB 382**.

The motion to adopt the conference committee report on **HB 382** prevailed by (Record 1764): 144 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes.

**HR 3475 - ADOPTED**  
**(by Zerwas)**

The following privileged resolution was laid before the house:

**HR 3475**

BE IT RESOLVED by the House of Representatives of the State of Texas, 84th Legislature, Regular Session, 2015, That House Rule 13, Section 9(a), be suspended in part as provided by House Rule 13, Section 9(f), to enable the conference committee appointed to resolve the differences on **HB 2641** (the exchange of health information in this state; creating a criminal offense) to consider and take action on the following matter:

House Rule 13, Section 9(a)(4), is suspended to permit the committee to add text on a matter which is not included in either the house or senate version of the bill by adding, in proposed SECTION 1 of the bill, Section 74A.002, Civil Practice and Remedies Code, as follows:

Sec. 74A.002. LIMITATION ON LIABILITY OF HEALTH CARE PROVIDERS RELATING TO HEALTH INFORMATION EXCHANGES. (a) Unless the health care provider acts with malice or gross negligence, a health care provider who provides patient information to a health information exchange is not liable for any damages, penalties, or other relief related to the obtainment, use, or disclosure of that information in violation of federal or state privacy laws by a health information exchange, another health care provider, or any other person.

(b) Nothing in this section may be construed to create a cause of action or to create a standard of care, obligation, or duty that forms the basis for a cause of action.

Explanation: This addition is necessary to provide language for limitation of liability of health care providers relating to health information exchanges that is agreeable to both chambers.

**HR 3475** was adopted by (Record 1765): 125 Yeas, 17 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Button; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Kuempel; Landgraf; Larson; Laubenberg; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Otto; Paddie; Parker; Paul; Peña; Phelan; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.;

Rodriguez, J.; Romero; Rose; Schubert; Sheffield; Simmons; Smith; Smithee; Spitzer; Springer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; Workman; Wray; Wu; Zerwas.

Nays — Bell; Burrows; Hunter; Krause; Leach; Phillips; Rinaldi; Sanford; Schaefer; Schofield; Shaheen; Simpson; Stickland; Tinderholt; Turner, E.S.; White, M.; Zedler.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Canales; Dukes; Oliveira.

### **ADDRESS BY REPRESENTATIVE MOODY**

The chair recognized Representative Moody who addressed the house, speaking as follows:

There was a memorial resolution that was adopted yesterday honoring my good friend, Joe Monsivais. I think his wife may be watching at home in El Paso. He was someone that was taken away from us far too soon. And if you're like me, you've had people come in and out of your lives that have taught you something, that have mentored you, that have made sure that you were where you needed to be in life. Joe Monsivais was that for me but also for many other people. He gave his life to public service. He served as an assistant public defender, an assistant federal public defender, assistant U.S. attorney, assistant district attorney, assistant county attorney. There are a lot of people that serve in those capacities, but very few of them give of themselves like Joe did. He was someone that if you had a question about your closing argument or your motion to suppress, you could knock on his door even if he was trying to put the finishing touches on an appeal to the Eighth Court of Appeals. He would stop and make sure that you were taken care of.

More than all of that, he was a great family man. And I want you to, as we depart from this chamber today and over the next couple of days, keep his wife, Amy, and his children—Cassandra, Madeleine, and Thomas—in your hearts and in your prayers, because their journey is very difficult from this point forward. I hope that they know that we're thinking of them, and hopefully our strength can lift them through this difficult time. Thank you, members, for this time and attention to pay respects to a very good friend of mine who was taken from us far, far too soon. If I could ask for a brief moment of silence in his memory.

### **HB 2641 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Zerwas submitted the following conference committee report on **HB 2641**:

Austin, Texas, May 29, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives



Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 2641** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Schwertner  
Campbell  
Nelson  
Perry  
Uresti

Zerwas  
Collier  
S. Davis  
Guillen

On the part of the senate

On the part of the house

**HB 2641**, A bill to be entitled An Act relating to the exchange of health information in this state; creating a criminal offense.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Title 4, Civil Practice and Remedies Code, is amended by adding Chapter 74A to read as follows:

CHAPTER 74A. LIMITATION OF LIABILITY RELATING TO HEALTH  
INFORMATION EXCHANGES

Sec. 74A.001. DEFINITIONS. In this chapter:

(1) "Gross negligence" has the meaning assigned by Section 41.001.

(2) "Health care provider" means any individual, partnership, professional association, corporation, facility, or institution duly licensed, certified, registered, or chartered by this state to provide health care or medical care, including a physician. The term includes:

(A) an officer, director, shareholder, member, partner, manager, owner, or affiliate of a physician or other health care provider; and

(B) an employee, independent contractor, or agent of a physician or other health care provider acting in the course and scope of the employment or contractual relationship.

(3) "Health information exchange" has the meaning assigned by Section 182.151, Health and Safety Code. The term includes:

(A) an officer, director, shareholder, member, partner, manager, owner, or affiliate of the health information exchange; and

(B) an employee, independent contractor, or agent of the health information exchange acting in the course and scope of the employment or contractual relationship.

(4) "Malice" has the meaning assigned by Section 41.001.

(5) "Physician" means:

(A) an individual licensed to practice medicine in this state under Subtitle B, Title 3, Occupations Code;

(B) a professional association organized by an individual physician or a group of physicians;

(C) a partnership or limited liability partnership formed by a group of physicians;

(D) a limited liability company formed by a group of physicians;

(E) a nonprofit health corporation certified by the Texas Medical Board under Chapter 162, Occupations Code; or

(F) a single legal entity authorized to practice medicine in this state owned by a group of physicians.

Sec. 74A.002. LIMITATION ON LIABILITY OF HEALTH CARE PROVIDERS RELATING TO HEALTH INFORMATION EXCHANGES. (a) Unless the health care provider acts with malice or gross negligence, a health care provider who provides patient information to a health information exchange is not liable for any damages, penalties, or other relief related to the obtainment, use, or disclosure of that information in violation of federal or state privacy laws by a health information exchange, another health care provider, or any other person.

(b) Nothing in this section may be construed to create a cause of action or to create a standard of care, obligation, or duty that forms the basis for a cause of action.

Sec. 74A.003. APPLICABILITY OF OTHER LAW. The protections, immunities, and limitations of liability provided by this chapter are in addition to any other protections, immunities, and limitations of liability provided by other law.

SECTION 2. Section 531.0162, Government Code, is amended by adding Subsections (e), (f), (g), and (h) to read as follows:

(e) The executive commissioner shall ensure that:

(1) all information systems available for use by the commission or a health and human services agency in sending protected health information to a health care provider or receiving protected health information from a health care provider, and for which planning or procurement begins on or after September 1, 2015, are capable of sending or receiving that information in accordance with the applicable data exchange standards developed by the appropriate standards development organization accredited by the American National Standards Institute;

(2) if national data exchange standards do not exist for a system described by Subdivision (1), the commission makes every effort to ensure the system is interoperable with the national standards for electronic health record systems; and

(3) the commission and each health and human services agency establish an interoperability standards plan for all information systems that exchange protected health information with health care providers.

(f) Not later than December 1 of each even-numbered year, the executive commissioner shall report to the governor and the Legislative Budget Board on the commission's and the health and human services agencies' measurable progress in ensuring that the information systems described in Subsection (e) are interoperable with one another and meet the appropriate standards specified by that subsection. The report must include an assessment of the progress made in achieving commission goals related to the exchange of health information, including facilitating care coordination among the agencies, ensuring quality improvement, and realizing cost savings.

(g) The executive commissioner by rule may develop and the commission may implement a system to reimburse providers of health care services under the state Medicaid program for review and transmission of electronic health information if feasible and cost-effective.

(h) In this section, "health care provider" and "provider of health care services" include a physician.

SECTION 3. Section 531.02176, Government Code, as amended by **SB 219**, Acts of the 84th Legislature, Regular Session, 2015, is amended to read as follows:

Sec. 531.02176. EXPIRATION OF MEDICAID REIMBURSEMENT FOR PROVISION OF HOME TELEMONITORING SERVICES. Notwithstanding any other law, the commission may not reimburse providers under Medicaid for the provision of home telemonitoring services on or after September 1, 2019 ~~[2015]~~.

SECTION 4. Section 81.044(a), Health and Safety Code, as amended by **SB 219**, Acts of the 84th Legislature, Regular Session, 2015, is amended to read as follows:

(a) The executive commissioner shall prescribe the form and method of reporting under this chapter, which may be in writing, by telephone, by electronic data transmission, through a health information exchange as defined by Section 182.151 if requested and authorized by the person required to report, or by other means.

SECTION 5. Section 82.008(a), Health and Safety Code, as amended by **SB 219**, Acts of the 84th Legislature, Regular Session, 2015, is amended to read as follows:

(a) To ensure an accurate and continuing source of data concerning cancer, each health care facility, clinical laboratory, and health care practitioner shall furnish to the department, on request, data the executive commissioner considers necessary and appropriate that is derived from each medical record pertaining to a case of cancer that is in the custody or under the control of the health care facility, clinical laboratory, or health care practitioner. The department may not request data that is more than three years old unless the department is investigating a possible cancer cluster. At the request and with the authorization of the applicable health care facility, clinical laboratory, or health care practitioner, data may be furnished to the department through a health information exchange as defined by Section 182.151.

SECTION 6. Section 161.007(d), Health and Safety Code, is amended to read as follows:

(d) A health care provider who administers an immunization to an individual younger than 18 years of age shall provide data elements regarding an immunization to the department. A health care provider who administers an immunization to an individual 18 years of age or older may submit data elements regarding an immunization to the department. At the request and with the authorization of the health care provider, the data elements may be submitted through a health information exchange as defined by Section 182.151. The data elements shall be submitted in a format prescribed by the department. The

department shall verify consent before including the information in the immunization registry. The department may not retain individually identifiable information about an individual for whom consent cannot be verified.

SECTION 7. Section 161.00705(a), Health and Safety Code, is amended to read as follows:

(a) The department shall maintain a registry of persons who receive an immunization, antiviral, and other medication administered to prepare for a potential disaster, public health emergency, terrorist attack, hostile military or paramilitary action, or extraordinary law enforcement emergency or in response to a declared disaster, public health emergency, terrorist attack, hostile military or paramilitary action, or extraordinary law enforcement emergency. A health care provider who administers an immunization, antiviral, or other medication shall provide the data elements to the department. At the request and with the authorization of the health care provider, the data elements may be provided through a health information exchange as defined by Section 182.151.

SECTION 8. Section 161.00706(b), Health and Safety Code, is amended to read as follows:

(b) A health care provider, on receipt of a request under Subsection (a)(1), shall submit the data elements to the department in a format prescribed by the department. At the request and with the authorization of the health care provider, the data elements may be submitted through a health information exchange as defined by Section 182.151. The department shall verify the person's request before including the information in the immunization registry.

SECTION 9. Section 161.0073(c), Health and Safety Code, is amended to read as follows:

(c) A person required to report information to the department for registry purposes or authorized to receive information from the registry may not disclose the individually identifiable information of an individual to any other person without the written or electronic consent of the individual or the individual's legally authorized representative, except as provided by Sections 161.007, 161.00705, 161.00706, and 161.008 of this code, Chapter 159, Occupations Code, or Section 602.053, Insurance Code.

SECTION 10. Section 161.008, Health and Safety Code, is amended by adding Subsection (i) to read as follows:

(i) At the request and with the authorization of the applicable health care provider, immunization history or data may be submitted to or obtained by the department through a health information exchange as defined by Section 182.151.

SECTION 11. Chapter 182, Health and Safety Code, is amended by adding Subchapter D to read as follows:

#### SUBCHAPTER D. HEALTH INFORMATION EXCHANGES

Sec. 182.151. DEFINITION. In this subchapter, "health information exchange" means an organization that:

(1) assists in the transmission or receipt of health-related information among organizations transmitting or receiving the information according to nationally recognized standards and under an express written agreement with the organizations;

(2) as a primary business function, compiles or organizes health-related information designed to be securely transmitted by the organization among physicians, other health care providers, or entities within a region, state, community, or hospital system; or

(3) assists in the transmission or receipt of electronic health-related information among physicians, other health care providers, or entities within:

(A) a hospital system;

(B) a physician organization;

(C) a health care collaborative, as defined by Section 848.001, Insurance Code;

(D) an accountable care organization participating in the Pioneer Model under the initiative by the Innovation Center of the Centers for Medicare and Medicaid Services; or

(E) an accountable care organization participating in the Medicare Shared Savings Program under 42 U.S.C. Section 1395jjj.

Sec. 182.152. AUTHORITY OF HEALTH INFORMATION EXCHANGE. (a) Notwithstanding Sections 81.046, 82.009, 161.0073, and 161.008, a health information exchange may access and transmit health-related information under Sections 81.044(a), 82.008(a), 161.007(d), 161.00705(a), 161.00706(b), and 161.008(i) if the access or transmittal is:

(1) made for the purpose of assisting in the reporting of health-related information to the appropriate agency;

(2) requested and authorized by the appropriate health care provider, practitioner, physician, facility, clinical laboratory, or other person who is required to report health-related information;

(3) made in accordance with the applicable consent requirements for the immunization registry under Subchapter A, Chapter 161, if the information being accessed or transmitted relates to the immunization registry; and

(4) made in accordance with the requirements of this subchapter and all other state and federal law.

(b) A health information exchange may only use and disclose the information that it accesses or transmits under Subsection (a) in compliance with this subchapter and all applicable state and federal law, and may not exchange, sell, trade, or otherwise make any prohibited use or disclosure of the information.

Sec. 182.153. COMPLIANCE WITH LAW; SECURITY. A health information exchange that collects, transmits, disseminates, accesses, or reports health-related information under this subchapter shall comply with all applicable state and federal law, including secure electronic data submission requirements.

Sec. 182.154. CRIMINAL PENALTY. (a) A person who collects, transmits, disseminates, accesses, or reports information under this subchapter on behalf of or as a health information exchange commits an offense if the person, with the

intent to violate this subchapter, allows health-related information in the possession of a health information exchange to be used or disclosed in a manner that violates this subchapter.

(b) An offense under this section is a Class A misdemeanor.

Sec. 182.155. IMMUNITIES AND DEFENSES CONTINUED.  
Collecting, transmitting, disseminating, accessing, or reporting information through a health information exchange does not alone deprive a physician or health care provider of an otherwise applicable immunity or defense.

SECTION 12. Chapter 74A, Civil Practice and Remedies Code, as added by this Act, applies only to a cause of action that accrues on or after the effective date of this Act. A cause of action that accrues before the effective date of this Act is governed by the law in effect immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 13. This Act takes effect September 1, 2015.

### REMARKS ORDERED PRINTED

Representative Martinez Fischer moved to print all remarks on **SB 11**.

The motion prevailed.

### HB 2641 - (consideration continued)

Representative Zerwas moved to adopt the conference committee report on **HB 2641**.

The motion to adopt the conference committee report on **HB 2641** prevailed by (Record 1766): 127 Yeas, 17 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Isaac; Israel; Johnson; Kacal; Keffer; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Kuempel; Landgraf; Larson; Laubenberg; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Simmons; Smith; Smithee; Springer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Bell; Burrows; Cyrier; Fallon; Hunter; Keough; Krause; Leach; Metcalf; Phillips; Rinaldi; Sanford; Simpson; Spitzer; Stickland; Tinderholt; Turner, E.S.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes.

### STATEMENTS OF VOTE

When Record No. 1766 was taken, I was shown voting yes. I intended to vote no.

Button

When Record No. 1766 was taken, I was shown voting yes. I intended to vote no.

D. Miller

### REMARKS ORDERED PRINTED

Representative C. Turner moved to print remarks by Representative Moody.

The motion prevailed.

### HR 3466 - ADOPTED (by Crossover)

The following privileged resolution was laid before the house:

#### HR 3466

BE IT RESOLVED by the House of Representatives of the State of Texas, 84th Legislature, Regular Session, 2015, That House Rule 13, Section 9(a), be suspended in part as provided by House Rule 13, Section 9(f), to enable the conference committee appointed to resolve the differences on **SB 1191** (the amount and allocation of the annual constitutional appropriation to certain agencies and institutions of higher education) to consider and take action on the following matters:

(1) House Rule 13, Section 9(a)(1), is suspended to permit the committee to amend text not in disagreement in SECTION 1 of the bill, in amended Section 62.021(a), Education Code, by striking "each state fiscal year beginning with" and substituting "[~~each state fiscal year beginning with~~]".

Explanation: This change is necessary to ensure that the allocations in amended Section 62.021(a), Education Code, apply only to the state fiscal year ending August 31, 2016.

(2) House Rule 13, Section 9(a)(4), is suspended to permit the committee to add text on a matter not included in either the house or senate version of the bill in SECTION 1 of the bill, in amended Section 62.021, Education Code, to read as follows:

(a-2) Notwithstanding Subsections (a) and (a-1), if Section 62.024 is not amended by the 84th Legislature, Regular Session, 2015, to increase the amount of the appropriation made under Section 17(a), Article VII, Texas Constitution, Subsection (a) of this section applies in each state fiscal year beginning with the state fiscal year ending August 31, 2016, and Subsection (a-1) of this section has no effect.

Explanation: This addition is necessary to clarify that the allocations in added Section 62.021(a-1), Education Code, will take effect only if the 84th Legislature, Regular Session, 2015, amends Section 62.024, Education Code, to increase the amount of the appropriation made under Section 17(a), Article VII, Texas Constitution.

(3) House Rule 13, Sections 9(a)(1) and (4), are suspended to permit the committee to change text not in disagreement and to add text on a matter not included in either the house or senate version of the bill in SECTION 2 of the bill, in amended Section 62.024, Education Code, to read as follows:

Sec. 62.024. AMOUNT OF ALLOCATION INCREASED. In accordance with Section 17(a), Article VII, Texas Constitution, for each state fiscal year beginning with the state fiscal year ending August 31, 2017 [~~2008~~], the amount of the annual constitutional appropriation under that subsection is increased to \$393.75 [~~\$262.5~~] million. Before the state fiscal year ending August 31, 2017, the amount of the annual constitutional appropriation under that subsection is \$262.5 million.

Explanation: This change is necessary to clarify the state fiscal year in which the increase to the amount of the appropriation made under Section 17(a), Article VII, Texas Constitution, will take effect.

(4) House Rule 13, Section 9(a)(1), is suspended to permit the committee to change text not in disagreement in SECTION 3 of the bill, in amended Section 62.027(c), Education Code, by striking "2016" and substituting "2017".

Explanation: This change is necessary to clarify the state fiscal year in which the increase to the amount of the appropriation made under Section 17(a), Article VII, Texas Constitution, will take effect.

(5) House Rule 13, Sections 9(a)(1) and (4), are suspended to permit the committee to change text not in disagreement and to add text on a matter not included in either the house or senate version of the bill in SECTION 4 of the bill to read as follows:

SECTION 4. (a) The amounts allocated under Section 62.021(a), Education Code, as amended by this Act, apply to the state fiscal year beginning September 1, 2015.

(b) The amounts allocated under Section 62.021(a-1), Education Code, as added by this Act, apply to each state fiscal year beginning with the state fiscal year beginning September 1, 2016.

Explanation: This change is necessary to clarify the state fiscal year in which the increase to the amount of the appropriation made under Section 17(a), Article VII, Texas Constitution, will take effect.

**HR 3466** was adopted by (Record 1767): 124 Yeas, 19 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, D.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero;



Howard; Huberty; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Kuempel; Landgraf; Larson; Laubenberg; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Schofield; Schubert; Shaheen; Sheffield; Smith; Smithee; Springer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Bonnen, G.; Cook; Fallon; Goldman; Hughes; Keough; Krause; Leach; Phillips; Rinaldi; Sanford; Schaefer; Simmons; Simpson; Spitzer; Stickland; Tinderholt; Turner, E.S.; White, M.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Faircloth.

#### STATEMENTS OF VOTE

When Record No. 1767 was taken, my vote failed to register. I would have voted yes.

Faircloth

When Record No. 1767 was taken, I was shown voting yes. I intended to vote no.

Hunter

#### SB 1191 - CONFERENCE COMMITTEE REPORT ADOPTED

Representative Crownover submitted the conference committee report on **SB 1191**.

Representative Crownover moved to adopt the conference committee report on **SB 1191**.

The motion to adopt the conference committee report on **SB 1191** prevailed by (Record 1768): 107 Yeas, 35 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Ashby; Aycock; Bernal; Blanco; Bohac; Burkett; Burns; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Faircloth; Farias; Farney; Farrar; Fletcher; Flynn; Frullo; Galindo; Giddings; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Israel; Johnson; Kacal; Keffer; King, K.; King, P.; King, S.; King, T.; Koop; Kuempel; Landgraf; Larson; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Paul; Peña; Phelan; Pickett; Price; Raney; Raymond;

Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Schofield; Schubert; Sheffield; Smith; Spitzer; Springer; Stephenson; Thompson, S.; Turner, C.; Turner, S.; VanDeaver; Vo; Walle; White, J.; Workman; Wu; Zedler; Zerwas.

Nays — Anderson, R.; Bell; Bonnen, D.; Bonnen, G.; Burrows; Cyrier; Dale; Elkins; Fallon; Frank; Geren; Goldman; Huberty; Hughes; Isaac; Keough; Klick; Krause; Laubenberg; Leach; Parker; Phillips; Rinaldi; Sanford; Schaefer; Shaheen; Simmons; Simpson; Stickland; Thompson, E.; Tinderholt; Turner, E.S.; Villalba; White, M.; Wray.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Hunter; Smithee.

### STATEMENTS OF VOTE

When Record No. 1768 was taken, I was shown voting no. I intended to vote yes.

Burrows

When Record No. 1768 was taken, I was shown voting yes. I intended to vote no.

Button

When Record No. 1768 was taken, I was shown voting yes. I intended to vote no.

Flynn

When Record No. 1768 was taken, I was shown voting no. I intended to vote yes.

Frank

When Record No. 1768 was taken, I was in the house but away from my desk. I would have voted no.

Hunter

When Record No. 1768 was taken, I was shown voting no. I intended to vote yes.

Isaac

When Record No. 1768 was taken, I was shown voting yes. I intended to vote no.

Metcalf

When Record No. 1768 was taken, I was shown voting yes. I intended to vote no.

D. Miller

When Record No. 1768 was taken, I was shown voting no. I intended to vote yes.

Parker

When Record No. 1768 was taken, I was shown voting yes. I intended to vote no.

Zedler

### **HB 2019 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Craddick submitted the following conference committee report on **HB 2019**:

Austin, Texas, May 28, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 2019** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Seliger  
Nichols  
Birdwell  
Watson  
Eltife

On the part of the senate

Craddick  
Parker  
Darby  
Landgraf  
Bohac

On the part of the house

**HB 2019**, A bill to be entitled An Act relating to the authority of certain counties to impose a hotel occupancy tax.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 352.002(a-1), Tax Code, is amended to read as follows:

(a-1) In addition to the counties described by Subsection (a), the commissioners court of a county in which an airport essential to the economy of the county is located may by the adoption of an order or resolution impose a tax on a person who, under a lease, concession, permit, right of access, license, contract, or agreement, pays for the use or possession or for the right to the use or possession of a room that is in a hotel, costs \$2 or more each day, and is ordinarily used for sleeping. For the purposes of this subsection, an airport is considered to be essential to the economy of a county only if the airport is a commercial-service international airport within Class C airspace and is located in a county and owned by a municipality each having a population of less than 150,000 [~~125,000~~]. This subsection does not apply to a county described by Subsection (a)(13).

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

Representative Craddick moved to adopt the conference committee report on **HB 2019**.

The motion to adopt the conference committee report on **HB 2019** prevailed by (Record 1769): 117 Yeas, 25 Nays, 2 Present, not voting.

Yeas — Alonzo; Alvarado; Anderson, C.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Craddick; Crownover; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Farias; Farney; Farrar; Fletcher; Flynn; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Hunter; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Koop; Kuempel; Landgraf; Larson; Laubenberg; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Schofield; Schubert; Shaheen; Sheffield; Simmons; Simpson; Smith; Smithee; Springer; Stephenson; Thompson, S.; Turner, C.; Turner, S.; Villalba; Vo; Walle; White, J.; Workman; Wu; Zerwas.

Nays — Anchia; Anderson, R.; Bonnen, D.; Cook; Cyrier; Fallon; Frank; Hughes; Isaac; Klick; Krause; Leach; Phillips; Rinaldi; Sanford; Schaefer; Spitzer; Stickland; Thompson, E.; Tinderholt; Turner, E.S.; VanDeaver; White, M.; Wray; Zedler.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Allen; Dukes; Huberty.

#### STATEMENTS OF VOTE

When Record No. 1769 was taken, I was shown voting no. I intended to vote yes.

Hughes

When Record No. 1769 was taken, I was shown voting no. I intended to vote yes.

Isaac

When Record No. 1769 was taken, I was shown voting yes. I intended to vote no.

J. White

**HB 2633 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Hernandez submitted the following conference committee report on **HB 2633**:

Austin, Texas, May 29, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 2633** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Perry  
Creighton  
Ellis  
Estes  
V. Taylor

On the part of the senate

Hernandez

Clardy

Moody

Murr

J. Rodriguez

On the part of the house

**HB 2633**, A bill to be entitled An Act relating to the release of a motor vehicle accident report.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 550.065, Transportation Code, is amended by amending Subsections (a), (b), (c), (e), and (f) and adding Subsection (c-1) to read as follows:

(a) This section applies only to the following information that is held by the department or another governmental entity:

(1) a written report of an accident required under Section 550.061, 550.062, or 601.004; or

(2) ~~[and relates to a motor vehicle accident reported under this chapter or Section 601.004, including]~~ accident report information compiled under Section 201.806 ~~[201.805, as added by Chapter 1407 (SB 766), Acts of the 80th Legislature, Regular Session, 2007].~~

(b) Except as provided by Subsection (c), (c-1), or (e), the information is privileged and for the confidential use of:

(1) the department; and

(2) an agency of the United States, this state, or a local government of this state that has use for the information for accident prevention purposes.

(c) On written request and payment of any required fee, the department or the governmental entity shall release the information to:

(1) an entity described by Subsection (b);

(2) the law enforcement agency that employs the peace officer who investigated the accident and sent the information to the department, including an agent of the law enforcement agency authorized by contract to obtain the information;

(3) the court in which a case involving a person involved in the accident is pending if the report is subpoenaed; or

(4) any [a] person directly concerned in the accident or having a proper interest therein, including [who provides the department or governmental entity with two or more of the following]:

(A) any person involved in [the date of] the accident;

(B) the authorized representative of any person [the specific address or the highway or street where the accident occurred; or

[(C) the name of any person] involved in the accident;

(C) a driver involved in the accident;

(D) an employer, parent, or legal guardian of a driver involved in the accident;

(E) the owner of a vehicle or property damaged in the accident;

(F) a person who has established financial responsibility for a vehicle involved in the accident in a manner described by Section 601.051, including a policyholder of a motor vehicle liability insurance policy covering the vehicle;

(G) an insurance company that issued an insurance policy covering a vehicle involved in the accident;

(H) an insurance company that issued a policy covering any person involved in the accident;

(I) a person under contract to provide claims or underwriting information to a person described by Paragraph (F), (G), or (H);

(J) a radio or television station that holds a license issued by the Federal Communications Commission;

(K) a newspaper that is:

(i) a free newspaper of general circulation or qualified under Section 2051.044, Government Code, to publish legal notices;

(ii) published at least once a week; and

(iii) available and of interest to the general public in connection with the dissemination of news; or

(L) any person who may sue because of death resulting from the accident.

(c-1) On receiving information to which this section applies, the department or the governmental entity that receives the information shall create a redacted accident report that may be requested by any person. The redacted accident report may not include the items of information described by Subsection (f)(2). A report released under this subsection is not considered personal information under Section 730.003.

(e) In addition to the information required to be released under Subsection (c), the department may release:

(1) accident report information compiled under Section 201.806 [information relating to motor vehicle accidents that the department compiles under Section 201.805, as added by Chapter 1407 (SB 766), Acts of the 80th Legislature, Regular Session, 2007]; or

(2) a vehicle identification number and specific accident information relating to that vehicle.

(f) The department when releasing information under Subsection (c-1) or (e):

(1) may not release [~~under Subsection (e) information that:~~  
~~[(A) is] personal information, as defined by Section 730.003; [or~~  
~~[(B) would allow a person to satisfy the requirements of Subsection~~  
~~(e)(4) for the release of information for a specific motor vehicle accident;]~~ and

(2) shall withhold or redact the following items [~~of information~~]:

(A) the first, middle, and last name of any person listed in an accident report, including a vehicle driver, occupant, owner, or lessee, a bicyclist, a pedestrian, or a property owner;

(B) the number of any driver's license, commercial driver's license, or personal identification certificate issued to any person listed in an accident report;

(C) the date of birth, other than the year, of any person listed in an accident report;

(D) the address, other than zip code, and telephone number of any person listed in an accident report;

(E) the license plate number of any vehicle listed in an accident report;

(F) [~~the date of any accident, other than the year;~~

~~[(G)] the name of any insurance company listed as a provider of financial responsibility for a vehicle listed in an accident report;~~

~~[(G)] [(H)] the number of any insurance policy issued by an insurance company listed as a provider of financial responsibility;~~

~~[(H)] [(H)] the date the peace officer who investigated the accident was notified of the accident;~~

~~[(I)] [(H)] the date the investigating peace officer arrived at the accident site;~~

~~[(J)] [(K) the date the investigating officer's report was prepared;~~

~~[(L)] the badge number or identification number of the investigating officer;~~

~~[(K)] [(M)] the date on which any person who died as a result of the accident died;~~

~~[(L)] [(N)] the date of any commercial motor vehicle report; and~~

~~[(M)] [(O)] the place where any person injured or killed in an accident was taken and the person or entity that provided the transportation.~~

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

Representative Hernandez moved to adopt the conference committee report on **HB 2633**.

The motion to adopt the conference committee report on **HB 2633** prevailed by (Record 1770): 144 Yeas, 0 Nays, 1 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets(C); Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker.

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Phelan.

#### **SB 1139 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Smithee submitted the conference committee report on **SB 1139**.

Representative Smithee moved to adopt the conference committee report on **SB 1139**.

The motion to adopt the conference committee report on **SB 1139** prevailed by (Record 1771): 140 Yeas, 2 Nays, 3 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Simmons; Simpson;



Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Dutton; Murr.

Present, not voting — Mr. Speaker; Rose; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Fletcher.

### **HR 3439 - ADOPTED (by Guillen)**

The following privileged resolution was laid before the house:

#### **HR 3439**

BE IT RESOLVED by the House of Representatives of the State of Texas, 84th Legislature, Regular Session, 2015, That House Rule 13, Section 9(a), be suspended in part as provided by House Rule 13, Section 9(f), to enable the conference committee appointed to resolve the differences on **HB 2968** (preservation of the Alamo complex and surrounding area and to the Alamo Preservation Advisory Board) to consider and take action on the following matter:

House Rule 13, Section 9(a)(4), is suspended to permit the committee to add text on a matter not included in either the house or senate version of the bill by adding, in proposed SECTION 2 of the bill, Section 31.455(b), Natural Resources Code, as follows:

(b) The advisory board is composed of:

(1) the commissioner or the commissioner's designee, who serves as the presiding officer of the advisory board;

(2) a designee appointed by the governor;

(3) a representative of the Alamo Endowment, appointed by the commissioner ~~[the president general of the Daughters of the Republic of Texas];~~

(4) the director of the Alamo ~~[current Alamo chairperson of the Daughters of the Republic of Texas];~~

(5) ~~[the immediate past Alamo chairperson of the Daughters of the Republic of Texas;~~

~~[(6)]~~ the Alamo curator;

(6) ~~[(7)]~~ one representative of the Texas Historical Commission;

(7) a designee appointed by the county judge of ~~[(8) the president of the]~~ Bexar County ~~[Historical Commission]; [and]~~

(8) a designee appointed by the mayor ~~[(9) one representative who serves as a member]~~ of the City of San Antonio; ~~[Office of Historic Preservation]~~

(9) a designee appointed by the commissioner representing the local travel and tourism industry and the businesses and landholders from the area immediately surrounding the Alamo complex;

(10) one member of the house of representatives appointed by the speaker of the house of representatives; and

(11) one senator appointed by the lieutenant governor.

Explanation: The change is necessary to alter the composition of the Alamo Preservation Advisory Board for the preservation of the Alamo complex.

**HR 3439** was adopted by (Record 1772): 138 Yeas, 6 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schofield; Schubert; Shaheen; Sheffield; Simmons; Smith; Smithee; Spitzer; Springer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Rinaldi; Schaefer; Simpson; Stickland; Tinderholt; White, M.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes.

### **HB 2968 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Guillen submitted the following conference committee report on **HB 2968**:

Austin, Texas, May 29, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 2968** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Menéndez  
Uresti  
Estes  
Campbell

Guillen  
Bernal  
Harless  
Larson

Creighton  
On the part of the senate

Martinez Fischer  
On the part of the house

**HB 2968**, A bill to be entitled An Act relating to the preservation of the Alamo complex and surrounding area and to the Alamo Preservation Advisory Board.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter I, Chapter 31, Natural Resources Code, is amended by adding Section 31.450 to read as follows:

Sec. 31.450. FINDINGS; MEMORANDUM OF UNDERSTANDING. (a) The legislature finds that:

(1) the Alamo has played an important role in the history of this state and continues to be a symbol of liberty and freedom for this state;

(2) this state wants to honor the individuals whose lives were lost at the Alamo;

(3) the entire history of the Alamo, from the time the Alamo was established as a mission until the present, should be recognized; and

(4) the Alamo is a world-class destination that provides a place of remembrance and education.

(b) The land office shall enter into a memorandum of understanding with the City of San Antonio to coordinate the planning and development of improvements to the Alamo complex and the area immediately surrounding the complex.

SECTION 2. Sections 31.455(a) and (b), Natural Resources Code, are amended to read as follows:

(a) The land office may establish an Alamo Preservation Advisory Board to provide advice, proposals, and recommendations to:

(1) promote the development of a world-class site to educate visitors on the history and importance of the Alamo in this state's fight for independence and to honor the people who lost their lives at the Alamo;

(2) promote and support the Alamo complex;

(3) ~~(2)~~ provide the resources and support necessary to advance the understanding and education of current and future generations on the historical significance and factual record of the Alamo complex;

(4) ~~(3)~~ inspire virtues of honor and Texas pride;

(5) ~~(4)~~ preserve the memory and achievement of individuals who served at the Alamo and provide a fitting tribute to the heroism of the people who paid the ultimate sacrifice for freedom and of the noble men and women of this state who have served in the armed forces or died while serving in the armed forces to ensure the freedom of the people of this state;

(6) provide educational and museum facilities ~~[(5) promote and provide]~~ for the preservation, perpetuation, appropriate publication, and display of manuscripts, books, relics, pictures, oral histories, and all other items and information related to the history of the Alamo complex and of this state that preserve the historical character of the Alamo shrine; and

(7) ~~[(6)]~~ promote, counsel, and provide support to governmental and private organizations that are committed to objectives similar to the objectives described in this subsection.

(b) The advisory board is composed of:

(1) the commissioner or the commissioner's designee, who serves as the presiding officer of the advisory board;

(2) a designee appointed by the governor;

(3) a representative of the Alamo Endowment, appointed by the commissioner ~~[the president general of the Daughters of the Republic of Texas];~~

(4) the director of the Alamo ~~[current Alamo chairperson of the Daughters of the Republic of Texas];~~

(5) ~~[the immediate past Alamo chairperson of the Daughters of the Republic of Texas;~~

~~[(6)]~~ the Alamo curator;

(6) ~~[(7)]~~ one representative of the Texas Historical Commission;

(7) a designee appointed by the county judge of ~~[(8) the president of the]~~ Bexar County ~~[Historical Commission]; [and]~~

(8) a designee appointed by the mayor ~~[(9) one representative who serves as a member]~~ of the City of San Antonio; ~~[Office of Historic Preservation]~~

(9) a designee appointed by the commissioner representing the local travel and tourism industry and the businesses and landholders from the area immediately surrounding the Alamo complex;

(10) one member of the house of representatives appointed by the speaker of the house of representatives; and

(11) one senator appointed by the lieutenant governor.

SECTION 3. (a) The term of a member serving on the Alamo Preservation Advisory Board immediately before the effective date of this Act whose position on the board is abolished by the changes in law made by this Act expires on the effective date of this Act.

(b) As soon as practicable after the effective date of this Act, each appointing official shall appoint members to the Alamo Preservation Advisory Board as required by Section 31.455, Natural Resources Code, as amended by this Act.

(c) As soon as practicable after the effective date of this Act, the General Land Office shall enter into a memorandum of understanding with the City of San Antonio as required by Section 31.450(b), Natural Resources Code, as added by this Act.

SECTION 4. This Act takes effect September 1, 2015.

Representative Guillen moved to adopt the conference committee report on **HB 2968**.

The motion to adopt the conference committee report on **HB 2968** prevailed by (Record 1773): 124 Yeas, 19 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Crownover; Cyrier; Dale;

Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Gonzales; González; Guerra; Guillen; Gutierrez; Hernandez; Herrero; Howard; Huberty; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schofield; Shaheen; Sheffield; Simpson; Smith; Smithee; Spitzer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; Turner, S.; VanDeaver; Villalba; Vo; Walle; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Anderson, C.; Button; Craddick; Fallon; Goldman; Harless; Hughes; Leach; Miller, D.; Phillips; Rinaldi; Schaefer; Simmons; Springer; Stickland; Tinderholt; Turner, E.S.; White, J.; White, M.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Schubert.

### STATEMENT OF VOTE

When Record No. 1773 was taken, I was shown voting no. I intended to vote yes.

D. Miller

### HB 1585 - CONFERENCE COMMITTEE REPORT ADOPTED

Representative Paul submitted the following conference committee report on **HB 1585**:

Austin, Texas, May 29, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 1585** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

L. Taylor  
Hinojosa  
Eltime  
Creighton  
Hancock

On the part of the senate

Paul  
Keough  
Romero  
Faircloth

On the part of the house

**HB 1585**, A bill to be entitled An Act relating to the use of hotel occupancy tax revenue in certain municipalities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 351.101, Tax Code, is amended by adding Subsection (j) to read as follows:

(j) In addition to the purposes provided by Subsection (a), a municipality that has a population of not more than 5,000 and at least part of which is located less than one-eighth of one mile from a space center operated by an agency of the federal government may use revenue from the municipal hotel occupancy tax for expenses, including promotion expenses, directly related to a sporting event in which the majority of participants are tourists who substantially increase economic activity at hotels and motels within the municipality or its vicinity.

SECTION 2. Subchapter B, Chapter 351, Tax Code, is amended by adding Section 351.1071 to read as follows:

Sec. 351.1071. ALLOCATION OF REVENUE: CERTAIN MUNICIPALITIES. (a) This section applies only to a municipality:

(1) that has a population of not more than 5,000; and

(2) at least part of which is located less than one-eighth of one mile from a space center operated by an agency of the federal government.

(b) In this section, "authorized facility" means a civic center, marina, meeting room, hotel, parking facility, or visitor center, including signage related to the facility, that:

(1) is owned by the municipality or a nonprofit corporation acting on behalf of the municipality;

(2) is located not more than 1,000 feet from a hotel property in the municipality; and

(3) substantially enhances hotel activity and encourages tourism within the municipality.

(c) Subject to Subsection (d) and notwithstanding any other provision of this chapter, a municipality to which this section applies may use the amount of revenue derived from the application of the tax under this chapter at a rate of three percent of the price paid for a room in a hotel to:

(1) establish, acquire, purchase, construct, improve, maintain, or operate an authorized facility; and

(2) pay bonds issued for a purpose described by Subdivision (1).

(d) A municipality may not use municipal hotel occupancy tax revenue on an authorized facility in a total amount that would exceed the amount of hotel revenue attributable to events at that facility for the 15-year period following the completion of construction.

(e) A municipality that uses municipal hotel occupancy tax revenue for a purpose authorized by this section shall publish annually for the 15-year period following the completion of construction at the authorized facility for which the revenue was used a report on the Internet website of the municipality that lists:

(1) for the preceding year, the events held at the authorized facility with respect to which the tax revenue was used and the number of hotel room nights attributable to those events; and

(2) the amount of hotel revenue and municipal hotel occupancy tax revenue attributable to events held at the authorized facility in that year.

(f) If a municipality uses municipal hotel occupancy tax revenue to establish, acquire, purchase, construct, or improve an authorized facility, the municipality shall, on the 5th, 10th, and 15th anniversaries of the completion of construction at the facility:

(1) calculate:

(A) the sum of:

(i) municipal hotel occupancy tax revenue used to maintain or operate the facility in the past five years;

(ii) one-third of the amount of municipal hotel occupancy tax revenue used to establish, acquire, purchase, construct, or improve the authorized facility; and

(iii) any credits carried over from a previous five-year period, as authorized by Subsection (g); and

(B) hotel revenue directly attributable to events held at the authorized facility in the past five years; and

(2) if the amount calculated under Subdivision (1)(A) exceeds the amount calculated under Subdivision (1)(B), reimburse the municipality's hotel occupancy tax revenue fund from the municipality's general fund in the amount of the difference.

(g) If, for a given five-year period, the amount calculated under Subsection (f)(1)(B) exceeds the amount calculated under Subsection (f)(1)(A), the municipality may carry forward the difference to be used as a credit in a subsequent five-year period.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

Representative Paul moved to adopt the conference committee report on **HB 1585**.

The motion to adopt the conference committee report on **HB 1585** prevailed by (Record 1774): 99 Yeas, 44 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Bell; Bernal; Blanco; Bohac; Burns; Canales; Clardy; Coleman; Collier; Dale; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Galindo; Geren; Giddings; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Kuempel; Larson; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Naishtat; Nevárez; Oliveira; Otto; Paul; Peña; Phelan; Pickett; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Schofield; Schubert; Sheffield; Smith; Smithee; Stephenson; Thompson, S.; Turner, C.; Turner, S.; Villalba; Vo; Walle; Workman; Wray; Wu; Zerwas.

Nays — Anderson, R.; Ashby; Aycock; Bonnen, D.; Bonnen, G.; Burrows; Button; Capriglione; Cook; Craddick; Crownover; Cyrier; Darby; Flynn; Frank; Frullo; Goldman; Hughes; Koop; Krause; Landgraf; Laubenberg; Leach; Murr; Paddie; Parker; Phillips; Price; Rinaldi; Sanford; Schaefer; Shaheen; Simmons; Simpson; Spitzer; Springer; Stickland; Thompson, E.; Tinderholt; Turner, E.S.; VanDeaver; White, J.; White, M.; Zedler.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Burkett; Dukes.

### STATEMENTS OF VOTE

When Record No. 1774 was taken, I was shown voting yes. I intended to vote no.

C. Anderson

When Record No. 1774 was taken, I was shown voting yes. I intended to vote no.

Keough

When Record No. 1774 was taken, I was shown voting yes. I intended to vote no.

Meyer

### SB 1071 - CONFERENCE COMMITTEE REPORT ADOPTED

Representative S. Thompson submitted the conference committee report on **SB 1071**.

Representative S. Thompson moved to adopt the conference committee report on **SB 1071**.

The motion to adopt the conference committee report on **SB 1071** prevailed by (Record 1775): 142 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Simmons;



Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Davis, Y.; Dukes; Landgraf.

### STATEMENT OF VOTE

When Record No. 1775 was taken, my vote failed to register. I would have voted yes.

Landgraf

### HB 483 - CONFERENCE COMMITTEE REPORT ADOPTED

Representative Capriglione submitted the following conference committee report on **HB 483**:

Austin, Texas, May 29, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 483** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Kolkhorst  
Burton  
Hancock  
L. Taylor

Capriglione  
Longoria  
Parker  
Flynn  
Simpson

On the part of the senate

On the part of the house

**HB 483**, A bill to be entitled An Act relating to the establishment and administration of a state bullion depository; authorizing fees.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle C, Title 10, Government Code, is amended by adding Chapter 2116 to read as follows:

#### CHAPTER 2116. TEXAS BULLION DEPOSITORY SUBCHAPTER A. ESTABLISHMENT AND ADMINISTRATION OF TEXAS BULLION DEPOSITORY

Sec. 2116.001. DEFINITIONS. In this chapter:

(1) "Administrator" means the bullion depository administrator appointed under Section 2116.003.

(2) "Bullion" means precious metals that are formed into uniform shapes and quantities such as ingots, bars, or plates, with uniform content and purity, as are suitable for or customarily used in the purchase, sale, storage, transfer, and delivery of bulk or wholesale transactions in precious metals.

(3) "Business day" means a day other than a Saturday, Sunday, or banking holiday for a bank chartered under the laws of this state.

(4) "Deposit" means the establishment of an executory obligation of the depository to deliver to the order of the person establishing with the depository the obligation, on demand, a quantity of a specified precious metal, in bullion, specie, or a combination of bullion and specie, equal to the quantity of the same precious metal delivered by or on behalf of the depositor into the custody of:

(A) the depository; or

(B) a depository agent.

(5) "Depositor" means a person who makes a deposit.

(6) "Depository" means the Texas Bullion Depository created by this chapter.

(7) "Depository account" means the rights, interests, and entitlements established in favor of a depositor with respect to a deposit in accordance with this chapter and rules adopted under this chapter.

(8) "Depository account holder," regarding a depository account, means the original depositor or a successor or assignee of the depositor respecting the depository account.

(9) "Depository agent" means a person licensed in accordance with this chapter to serve as an intermediary between the depository and a retail customer in making a transaction in precious metals bullion or specie.

(10) "Precious metal" means a metal, including gold, silver, platinum, palladium, and rhodium, that:

(A) bears a high value-to-weight ratio relative to common industrial metals; and

(B) customarily is formed into bullion or specie.

(11) "Specie" means a precious metal stamped into coins of uniform shape, size, design, content, and purity, suitable for or customarily used as currency, as a medium of exchange, or as the medium for purchase, sale, storage, transfer, or delivery of precious metals in retail or wholesale transactions.

Sec. 2116.002. TEXAS BULLION DEPOSITORY. (a) The Texas Bullion Depository is established as an agency of this state in the office of the comptroller.

(b) The depository is established to serve as the custodian, guardian, and administrator of certain bullion and specie that may be transferred to or otherwise acquired by this state or an agency, a political subdivision, or another instrumentality of this state.

Sec. 2116.003. DEPOSITORY ADMINISTRATION; ADMINISTRATOR. (a) The depository is administered as a division of the office of the comptroller and under the direction and supervision of a bullion depository administrator appointed by the comptroller with the advice and consent of the governor, lieutenant governor, and senate.

(b) The administrator shall:

(1) administer, supervise, and direct the operations and affairs of the depository and depository agents; and

(2) liaise with the comptroller and other divisions of the office of the comptroller to ensure that each transaction with the depository that involves state money, that involves an agency, a political subdivision, or another instrumentality of this state, or that involves a private person is planned, administered, and executed in a manner to achieve the purposes of this chapter.

(c) The administrator may appoint, subject to the approval of the comptroller, a deputy administrator or other subordinate officer as necessary and appropriate to the efficient administration of the depository.

Sec. 2116.004. DEPOSITS AND RELATED ASSETS NOT SUBJECT TO LEGISLATIVE APPROPRIATION; STATUS OF DEPOSITS AND ALLOCATION OF REVENUES. (a) The following are not available for legislative appropriation:

(1) a deposit to the depository;

(2) bullion or specie held by or on behalf of the depository or a depository agent;

(3) bullion or specie in transit to or from the depository or a depository agent; and

(4) a receivable or other amount owed to the depository in settlement of a transaction in bullion or specie.

(b) Bullion, specie, and other assets described by Subsection (a) are subject to redemption, liquidation, or transfer exclusively to discharge an obligation of the depository to depository account holders, depository agents, bullion banks, financial institutions, or other intermediaries in accordance with this chapter and rules adopted under this chapter.

(c) Revenue the depository realizes from fees, charges, or other payments received in the course of depository operations shall be deposited to the credit of the general revenue fund.

Sec. 2116.005. DEPOSITS AND DEPOSITORY ACCOUNTS; STANDARDS. (a) The depository may receive a deposit of bullion or specie from or on behalf of a person acting in the person's own right, as trustee, or in another fiduciary capacity, in accordance with rules adopted by the comptroller as appropriate to:

(1) ensure compliance with law; and

(2) protect the interests of:

(A) the depository;

(B) depository account holders;

(C) this state and the agencies, political subdivisions, and instrumentalities of this state; and

(D) the public at large.

(b) The depository shall record the amount of precious metals a person deposits, regardless of form, in units of troy ounces pure, and the records must also specify the type and quantity of each precious metal deposited.

(c) The comptroller by rule shall adopt standards by which the quantities of precious metals deposited are credited to a depositor's depository account by reference to the particular form in which the metals were deposited, classified by mint, denomination, weight, assay mark, or other indicator, as applicable. The standards must conform to applicable national and international standards of weights and measures.

(d) The comptroller by rule may, if the comptroller determines that to do so is in the public interest, restrict the forms in which deposits of precious metals may be made to those forms that conveniently lend themselves to measurement and accounting in units of troy ounces and standardized fractions of troy ounces.

(e) The depository shall adjust each depository account balance to reflect additions to or withdrawals or deliveries from the account.

Sec. 2116.006. DEMAND, PRESENTMENT, WITHDRAWAL, DELIVERY, AND SETTLEMENT. (a) The depository shall deliver any precious metal held by or on behalf of the depository in bullion, specie, or a combination of bullion and specie, on the order of a depository account holder in a quantity of that precious metal as is available in the depository account holder's depository account.

(b) The depository shall make a delivery described by Subsection (a) on demand by the presentment of a suitable check, draft, or digital electronic instruction to the depository or a depository agent. The comptroller by rule shall adopt the forms, standards, and processes through which an order for delivery on demand may be made, presented, and honored.

(c) The depository shall make a delivery at the depository's settlement facility designated by the comptroller, shipping to an address specified by the account holder or, at the depository's discretion, at a facility of a depository agent at which presentment is made, not later than five business days after the date of presentment.

Sec. 2116.007. TRANSFER OF DEPOSITORY ACCOUNT BALANCE. (a) In accordance with rules adopted under this chapter, a depository account holder may transfer any portion of the balance of the holder's depository account by check, draft, or digital electronic instruction to another depository account holder or to a person who at the time the transfer is initiated is not a depository account holder.

(b) The depository shall adjust the depository account balances of the depository accounts to reflect a transfer transaction between depository account holders on presentment of the check, draft, or other instruction by reducing the payor's depository account balance and increasing the depository account balance of the payee accordingly.

(c) If a depository account holder transfers to a payee who is not a depository account holder any portion of the balance of the holder's depository account, the depository shall allow the payee to establish a depository account by presentment of the payor's check, draft, or instruction to the depository or to a depository agent. The depository shall credit a newly established account on behalf of the payee and shall debit the payor's account accordingly.

Sec. 2116.008. DEPOSITORY ACCOUNT CONTRACTS. (a) To establish a depository account, a depositor must contract with the depository for a depository account. The contract must specify:

(1) the terms applicable to the account, including any special terms; and  
(2) the conditions on which withdrawals or deliveries with respect to the account may be made.

(b) The execution of a contract for a depository account described by this section may be made, as prescribed by rules adopted under this chapter, by electronic or digital transmission.

(c) The depository or a depository agent shall hold the contract for a depository account in the records pertaining to the account.

(d) A contract for a depository account executed by a depositor and the depository is considered a contract in writing for all purposes, and may be evidenced by one or more agreements, deposit receipts, signature cards, amendment notices, or other documentation as provided by law.

(e) The depository and the depository account holder may amend a contract for a depository account by agreement, or the depository may amend the deposit contract by mailing a written notice of the amendment to the account holder, separately or as an enclosure with or part of the account holder's statement of account or passbook. In the case of amendment by notice from the depository, the notice must include the text and effective date of the amendment. The effective date may not be earlier than the 30th day after the date the notice is mailed, unless otherwise provided by rules adopted under this chapter.

Sec. 2116.009. CAUSE OF ACTION FOR DENIAL OF DEPOSIT LIABILITY. (a) A cause of action for denial of deposit liability on a depository account contract without a maturity date does not accrue until the depository has denied liability and given notice of the denial to the depository account holder.

(b) The depository's act of furnishing an account statement or passbook, whether in physical, digital, or electronic form, constitutes a denial of liability and the giving of such notice as to any amount not shown on the statement or passbook.

(c) The depository's sovereign immunity from suit is waived for an action brought by a depositor for the denial of deposit liability.

(d) The depository's liability for a denial of deposit liability is limited to the amount on deposit for which liability was denied. A depositor may not recover consequential damages, exemplary damages, pre- or post-judgment interest, costs, or attorney's fees.

(e) A suit authorized by this section must be brought in a district court of Travis County.

(f) A suit authorized by this section must be brought before the expiration of one year after the date the cause of action accrues or the suit is barred.

Sec. 2116.010. FEES; SERVICE CHARGES; PENALTIES. The comptroller by rule may establish fees, service charges, and penalties to be charged a depository account holder for a service or activity regarding a depository account, including a fee for an overdraft, an insufficient fund check or draft, or a stop payment order.

Sec. 2116.011. DEPOSITORY ACCOUNT OWNERSHIP BY OWNER OF RECORD. Unless the depository acknowledges in writing a pledge of a depository account, the depository may treat the holder of record of the account as the owner of the account for all purposes and without regard to a notice to the contrary.

Sec. 2116.012. TRANSFER OF DEPOSITORY ACCOUNT. (a) A depository account may be transferred on the books of the depository only on presentation to the depository of:

- (1) evidence of transfer satisfactory to the depository; and
- (2) an application for the transfer submitted by the person to whom the depository account is to be transferred.

(b) A person to whom a depository account is to be transferred must accept the transferred account subject to the terms of the deposit contract, this chapter, and rules adopted under this chapter.

Sec. 2116.013. DEPOSITORY ACCOUNTS NOT INTEREST-BEARING. The depository may not pay on a depository account:

- (1) interest;
- (2) an amount in the nature of interest; or
- (3) a fee or other payment for the use or forbearance of use of money, bullion, specie, or precious metals deposited to a depository account.

Sec. 2116.014. LIEN ON DEPOSITORY ACCOUNT. (a) Without the need of any further agreement or pledge, the depository has a lien on each depository account owned by a depository account holder to secure any fees, charges, or other obligations owed or that may become owed to the depository in connection with any of the depository account holder's depository accounts as provided by the terms of the depository account holder's applicable depository account contract.

(b) On default in the payment or in the satisfaction of a depository account holder's obligation, the depository, without notice to or consent of the depository account holder, may transfer on the depository's books all or part of the balance of a depository account holder's depository account to the extent necessary to pay or satisfy the obligation, as determined by reference to the exchange rates applicable at the time of the transfer.

(c) The depository by written instrument may waive wholly or partly the depository's lien on a depository account.

(d) Subject to a lien created as provided by this section, the depository shall recognize the lawful pledge to a third party by a depository account holder of the depository account holder's rights, interests, and entitlements in and to a depository account as an intangible asset. On the satisfaction of other requirements of law in respect of the perfection and enforcement of a pledge of that type, the depository shall take all steps reasonably necessary and appropriate to effectuate on the depository's books any transfer of a depository account or of all or part of a depository account balance to the account of the secured party on the successful enforcement of the pledge.

Sec. 2116.015. DEPOSITORY ACCOUNT AS LEGAL INVESTMENT.

(a) The following persons may invest the person's money in a depository account by purchasing precious metals and depositing the precious metals with the depository or a depository agent:

- (1) an individual or fiduciary, including an administrator, executor, custodian, guardian, or trustee;
- (2) a political subdivision of this state or an instrumentality of this state;
- (3) a business or nonprofit corporation;
- (4) a charitable or educational corporation or association; or
- (5) a financial institution, including a bank, savings and loan association, or credit union.

(b) An investment by a school district in a depository account may be made instead of an investment as provided by Section 45.102, Education Code, and the depository may be used by a district instead of a depository bank for the purposes of Subchapter G, Chapter 45, Education Code.

Sec. 2116.016. APPLICABILITY OF ESTATES CODE. The applicable provisions of Chapters 111, 112, and 113, Estates Code, govern a depository account.

Sec. 2116.017. PLEDGE OF JOINTLY HELD DEPOSITORY ACCOUNT.

(a) Unless a term of the depository account provides otherwise, a person on whose signature precious metals may be withdrawn from a depository account that is jointly held in the names of two or more persons may, by a signed pledge, pledge and transfer to the depository or to a third party all or part of the account.

(b) A pledge made as described by Subsection (a) does not sever or terminate the joint and survivorship ownership of the account, to the extent applicable to the account before the pledge.

Sec. 2116.018. DEPOSITORY ACCOUNT HELD BY FIDUCIARY. (a) The depository or a depository agent may accept a depository account in the name of a fiduciary, including an administrator, executor, custodian, guardian, or trustee, for a named beneficiary.

(b) A fiduciary may open, add to, or withdraw precious metals from an account described by Subsection (a).

(c) Except as otherwise provided by law, a payment or delivery to a fiduciary or an acquittance signed by the fiduciary to whom a payment or delivery is made is a discharge of the depository for the payment or delivery.

(d) After a person who holds a depository account in a fiduciary capacity dies, the depository may pay or deliver to the beneficiary of the account the quantity of precious metals represented by the balance in the depository account, plus other rights relating to the depository account, wholly or partly, if the depository has no written notice or order of the probate court of:

- (1) a revocation or termination of the fiduciary relationship; or
- (2) any other disposition of the beneficial estate.

(e) The depository has no further liability for a payment made or right delivered under Subsection (d).

Sec. 2116.019. DEPOSITORY ACCOUNT HELD IN TRUST; UNDISCLOSED TRUST INSTRUMENT. (a) If the depository opens a depository account for a person claiming to be the trustee for another person and the depository has no other notice of the existence or terms of the trust other than a written claim against the account:

(1) the person claiming to be the trustee, on the person's signature, may withdraw precious metals from the account; and

(2) if the person claiming to be the trustee dies, the depository may pay or deliver the quantity of precious metals represented by the balance in the account to the person for whom the account was opened.

(b) The depository has no further liability for a payment or delivery made as provided by Subsection (a).

Sec. 2116.020. POWER OF ATTORNEY; REVOCATION ON DEATH OR INCOMPETENCY. (a) The depository shall recognize the authority of an attorney-in-fact authorized in writing by a depository account holder to manage or withdraw precious metals from the depository account holder's depository account until the depository receives written or actual notice of the revocation of that authority.

(b) For purposes of this section, written notice of the death or adjudication of incompetency of a depository account holder is considered to be written notice of revocation of the authority of the account holder's attorney-in-fact.

Sec. 2116.021. TRANSACTIONS AND RELATIONSHIPS. The depository shall enter into transactions and relationships with bullion banks, depositories, dealers, central banks, sovereign wealth funds, financial institutions, international nongovernmental organizations, and other persons, located inside or outside of this state or inside or outside of the United States, as the comptroller determines to be prudent and suitable to facilitate the operations of the depository and to further the purposes of this chapter.

Sec. 2116.022. CERTAIN ACTIONS PROHIBITED. The depository may not take any of the following actions, and any attempt by the depository to take any of the following actions is void ab initio and of no force or effect:

(1) entering into a precious metals leasing, sale-leaseback, forward transaction, swap transaction, future transaction, index transaction, or option on or other derivative of any of those, whether in the nature of a cap transaction, floor transaction, collar transaction, repurchase transaction, reverse repurchase transaction, buy-and-sell-back transaction, securities lending transaction, or other financial instrument or interest intended to or having the effect of hedging or leveraging the depository's holdings of precious metals, including any option with respect to any of these transactions, or any combination of these transactions, except that the limitation provided by this subdivision does not apply to a transaction entered into to limit the depository's exposure to post-signature price risks associated with executory agreements to purchase or sell precious metals in the ordinary course of depository operations and does not apply to policies of insurance purchased to insure against ordinary casualty risks such as theft, damage or destruction, loss during shipment, or similar risks;



(2) crediting the depository account balances of a depository account holder, or disposing of any precious metals, if to do so would cause the aggregate depository account balances with respect to any precious metal represented by all depository accounts to exceed the aggregate quantities of such precious metal held by or for the benefit of the depository and the depository's depository agents;

(3) entering into or maintaining a deposit, trust, or similar relationship for the custody of precious metals by a third party outside this state, directly or indirectly, for the account or benefit of the depository if the comptroller by rule establishes that:

(A) the custody or intermediary arrangements in question do not meet the comptroller's standards of safety, security, and liquidity; or

(B) except in those cases where such relationship may be incidental to the performance of or preparation for purchase and sale transactions with counterparties located outside of this state, suitable alternate arrangements for physical custody of the precious metals inside this state have been established and are available;

(4) extending credit to a person, including credit secured by a depository account or other assets, except an extension of credit incidental to the performance of the functions and responsibilities otherwise provided by this chapter; or

(5) engaging in a business or activity that, if conducted by a private person, would be subject to regulation in this state as a banking or savings and loan function.

Sec. 2116.023. CONFISCATIONS, REQUISITIONS, SEIZURES, AND OTHER ACTIONS VOID. (a) A purported confiscation, requisition, seizure, or other attempt to control the ownership, disposition, or proceeds of a withdrawal, transfer, liquidation, or settlement of a depository account, including the precious metals represented by the balance of a depository account, if effected by a governmental or quasi-governmental authority other than an authority of this state or by a financial institution or other person acting on behalf of or pursuant to a directive or authorization issued by a governmental or quasi-governmental authority other than an authority of this state, in the course of a generalized declaration of illegality or emergency relating to the ownership, possession, or disposition of one or more precious metals, contracts, or other rights to the precious metals or contracts or derivatives of the ownership, possession, disposition, contracts, or other rights, is void ab initio and of no force or effect.

(b) The depository in the case of receiving notice of a purported confiscation, requisition, seizure, or other attempt to control the ownership, disposition, or proceeds of a withdrawal, transfer, liquidation, or settlement of a depository account, including the precious metals represented by the balance of a depository account, effected by a governmental or quasi-governmental authority other than an authority of this state or by a financial institution or other person acting on behalf of or pursuant to a directive or authorization issued by a governmental or quasi-governmental authority other than an authority of this state, in the course of a generalized declaration of illegality or emergency relating

to the ownership, possession, or disposition of one or more precious metals, contracts, or other rights to the precious metals or contracts or derivatives of the ownership, possession, disposition, contracts, or other rights, may not recognize the governmental or quasi-governmental authority, financial institution, or other person acting as the lawful successor of the registered holder of a depository account in question.

(c) On receipt of notice of any transaction described by Subsection (a), with respect to all or any portion of the balance of a depository account, the depository shall suspend withdrawal privileges associated with the balances of the depository account until suitable substitute arrangements may be effected in accordance with rules of the comptroller to enable the registered account holder to take delivery of the precious metals represented by the account balances in question. A voluntary transfer of a depository account balance or of a depository account among depository account holders may continue to take place unaffected by the suspension, and the depository shall recognize to the full extent authorized by this chapter and rules adopted under this chapter.

Sec. 2116.024. OFFICIAL EXCHANGE RATES. The comptroller by rule shall establish the references by which the official exchange rate for pricing precious metals transactions in terms of United States dollars or other currency must be established at the time of a depository transaction. The comptroller shall establish procedures and facilities through which the rates are made discoverable at all reasonable times by system participants, both on a real-time basis and retrospectively.

Sec. 2116.025. FACILITATION OF ACCOUNTING AND REPORTING OF TAXABLE GAINS. The comptroller by rule shall establish procedures and requirements for the depository and depository agents designed to minimize the burden to system participants of accounting for and reporting taxable gains and losses arising out of depository transactions as denominated in United States dollars or another currency.

Sec. 2116.026. ANNUAL REPORT. The comptroller shall submit to the governor and the legislature a report on the status, condition, operations, and prospects for the depository and depository participation each year not later than September 30.

#### SUBCHAPTER B. DEPOSITORY AGENTS

Sec. 2116.051. USE OF DEPOSITORY AGENTS. The depository shall use private, independently managed firms and institutions licensed as depository agents as intermediaries to conduct retail transactions in bullion and specie on behalf of the depository with current and prospective depository account holders.

Sec. 2116.052. ELECTRONIC INFORMATION SHARING SYSTEMS AND PROCESSES. The comptroller by rule shall require a depository agent to maintain suitable systems and processes for electronic information sharing and communication with the comptroller and the depository to ensure that all transactions effected on behalf of the depository are reported to and integrated into the depository's records not later than 11:59:59 p.m. on the date of each transaction.

Sec. 2116.053. PERIODIC REPORTS. A depository agent shall submit monthly, quarterly, and annual reports of all depository transactions not later than the 15th day of the month following the expiration of the period with respect to which such report is submitted. The report must contain information and be in a form and format as rules of the comptroller require.

SECTION 2. Section 151.002(a), Finance Code, is amended to read as follows:

(a) This section defines general terms that apply to an applicant for or holder of a money services license issued under this chapter, regardless of whether the license is a money transmission license, ~~[or]~~ a currency exchange license, or a depository agent license. Additional terms that apply specifically to money transmission are defined in Section 151.301. Additional terms that apply specifically to currency exchange are defined in Section 151.501. Additional terms that apply specifically to depository agents are defined in Section 151.851.

SECTION 3. Section 151.002(b), Finance Code, is amended by adding Subdivisions (9-a), (9-b), and (9-c) and amending Subdivisions (11) and (14) to read as follows:

(9-a) "Depository agent" has the meaning assigned by Section 151.851.

(9-b) "Depository agent license" means a license issued under Subchapter J.

(9-c) "Depository agent services" means services rendered to the general public for or on behalf of the Texas Bullion Depository in the nature of purchasing, selling, transferring, accepting, transporting, delivering, or otherwise dealing in precious metals bullion or specie in connection with the creation, transfer, clearing, settlement, or liquidation of the rights and interests of a depository account holder and a direct or indirect transferee of a depository account holder, as those terms are defined by Subchapter J. The term "depository agent services" does not include:

(A) participation as a party or counterparty to a transaction, including an agreement with respect to a transaction, in or in connection with a contract for the purchase or sale of a person's rights and interests as a depository account holder, as a cash contract for present delivery, a cash contract for deferred shipment or delivery, or a contract for future delivery, where the underlying deliverable consists of the depository account holder's interest in the depository account, rather than the underlying precious metal represented by the depository account balance;

(B) the opening, transfer, settlement, or liquidation of any derivative of a contract described by Paragraph (A), including a forward transaction, swap transaction, currency transaction, future transaction, index transaction, or option on or other derivative of a transaction of any of those types, in the nature of a cap transaction, floor transaction, collar transaction, repurchase transaction, reverse repurchase transaction, buy-and-sell-back transaction, securities lending transaction, or other financial instrument or interest, including an option with respect to a transaction, or any combination of these transactions;  
or

(C) the rendition of services exclusively in support of the opening, transfer, settlement, or liquidation of transaction derivatives described by Paragraph (B) through a central counterparty, such as those customarily rendered by a clearinghouse, clearing association, or clearing corporation, or through an interbank payment system, physical or electronic trading facility, broker or brokerage firm, or similar entity, facility, system, or organization.

(11) "License holder" means a person that holds a money transmission license, ~~[or]~~ a currency exchange license, or a depository agent license.

(14) "Money services" means money transmission, ~~[or]~~ currency exchange, or depository agent services.

SECTION 4. Section 151.003, Finance Code, is amended to read as follows:

Sec. 151.003. EXCLUSIONS. Subject to Subchapter J, the ~~[The]~~ following persons are not required to be licensed under this chapter:

(1) the United States or an instrumentality of the United States, including the United States Post Office or a contractor acting on behalf of the United States Post Office;

(2) a state or an agency, political subdivision, or other instrumentality of a state;

(3) a federally insured financial institution, as that term is defined by Section 201.101, that is organized under the laws of this state, another state, or the United States;

(4) a foreign bank branch or agency in the United States established under the federal International Banking Act of 1978 (12 U.S.C. Section 3101 et seq.);

(5) a person acting as an agent for an entity excluded under Subdivision (3) or (4), to the extent of the person's actions in that capacity, provided that:

(A) the entity is liable for satisfying the money services obligation owed to the purchaser on the person's receipt of the purchaser's money; and

(B) the entity and person enter into a written contract that appoints the person as the entity's agent and the person acts only within the scope of authority conferred by the contract;

(6) a person that, on behalf of the United States or a department, agency, or instrumentality of the United States, or a state or county, city, or any other governmental agency or political subdivision of a state, provides electronic funds transfer services of governmental benefits for a federal, state, county, or local governmental agency;

(7) a person that acts as an intermediary on behalf of and at the direction of a license holder in the process by which the license holder, after receiving money or monetary value from a purchaser, either directly or through an authorized delegate, transmits the money or monetary value to the purchaser's designated recipient, provided that the license holder is liable for satisfying the obligation owed to the purchaser;

(8) an attorney or title company that in connection with a real property transaction receives and disburses domestic currency or issues an escrow or trust fund check only on behalf of a party to the transaction;

(9) a person engaged in the business of currency transportation who is both a registered motor carrier under Chapter 643, Transportation Code, and a licensed armored car company or courier company under Chapter 1702, Occupations Code, provided that the person does not engage in the money transmission or currency exchange business or depository agent services business without a license issued under this chapter; and

(10) any other person, transaction, or class of persons or transactions exempted by commission rule or any other person or transaction exempted by the commissioner's order on a finding that the licensing of the person is not necessary to achieve the purposes of this chapter.

SECTION 5. Section 151.201, Finance Code, is amended to read as follows:

Sec. 151.201. SCOPE. This subchapter sets out the general qualifications and provisions that apply to a money services license, regardless of whether the license is a money transmission license, ~~[or]~~ a currency exchange license, or a depository agent license. Subchapters D and E set forth the additional qualifications and provisions that apply specifically to a money transmission license. Subchapter F sets forth the additional qualifications and provisions that apply specifically to a currency exchange license. Subchapter J sets forth the additional qualifications and provisions that apply specifically to a depository agent license.

SECTION 6. Sections 151.207(a), (b), and (d), Finance Code, are amended to read as follows:

(a) If a license holder does not continue to meet the qualifications or satisfy the requirements that apply to an applicant for a new money transmission license, ~~[or]~~ currency exchange license, or depository agent license, as applicable, the commissioner may suspend or revoke the license holder's license.

(b) In addition to complying with Subsection (a), a license holder must annually:

(1) pay a license fee in an amount established by commission rule; and

(2) submit a report that is under oath, is in the form and medium required by the commissioner, and contains:

(A) if the license is a money transmission license or depository agent license, an audited unconsolidated financial statement dated as of the last day of the license holder's fiscal year that ended in the immediately preceding calendar year;

(B) if the license is a currency exchange license, a financial statement, audited or unaudited, dated as of the last day of the license holder's fiscal year that ended in the immediately preceding calendar year; and

(C) documentation and certification, or any other information the commissioner reasonably requires to determine the security, net worth, permissible investments, and other requirements the license holder must satisfy and whether the license holder continues to meet the qualifications and requirements for licensure.

(d) If the license holder fails to submit the completed annual report and pay the annual license fee and any late fee due within the time prescribed by Subsection (c)(1), the license expires, and the license holder must cease and desist from engaging in the business of money transmission, ~~or~~ currency exchange, or depository agent services, as applicable, as of that date. The expiration of a license is not subject to appeal.

SECTION 7. Section 151.302(a), Finance Code, is amended to read as follows:

(a) A person may not engage in the business of money transmission or advertise, solicit, or hold itself out as a person that engages in the business of money transmission unless the person:

- (1) is licensed under this subchapter;
- (2) is an authorized delegate of a person licensed under this subchapter, appointed by the license holder in accordance with Section 151.402;
- (3) is excluded from licensure under Section 151.003; ~~or~~
- (4) is licensed as a depository agent under Subchapter J and only engages in the business of money transmission in connection with, and to the extent necessary for, the performance of depository agent activities; or
- (5) has been granted an exemption under Subsection (c).

SECTION 8. Section 151.502(a), Finance Code, is amended to read as follows:

Sec. 151.502. LICENSE REQUIRED. (a) A person may not engage in the business of currency exchange or advertise, solicit, or hold itself out as providing currency exchange unless the person:

- (1) is licensed under this subchapter;
- (2) is licensed for money transmission under Subchapter D;
- (3) is an authorized delegate of a person licensed for money transmission under Subchapter D;
- (4) is excluded under Section 151.003; ~~or~~
- (5) is licensed as a depository agent under Subchapter J and only engages in the business of currency exchange in connection with, and to the extent necessary for, the performance of depository agent activities; or
- (6) has been granted an exemption under Subsection (d).

SECTION 9. Section 151.602(a), Finance Code, is amended to read as follows:

(a) A license holder must prepare, maintain, and preserve the following books, accounts, and other records for at least five years or another period as may be prescribed by rule of the commission:

- (1) a record of each money transmission transaction, ~~or~~ currency exchange transaction, or depository agent services transaction, as applicable;
- (2) a general ledger posted in accordance with generally accepted accounting principles containing all asset, liability, capital, income, and expense accounts, unless directed otherwise by the commissioner;
- (3) bank statements and bank reconciliation records;

(4) all records and reports required by applicable state and federal law, including the reporting and recordkeeping requirements imposed by the Bank Secrecy Act, the USA PATRIOT ACT, and Chapter 271, and other federal and state laws pertaining to money laundering, drug trafficking, or terrorist funding; and

(5) any other records required by commission rule or reasonably requested by the commissioner to determine compliance with this chapter.

SECTION 10. Section 151.603, Finance Code, is amended by adding Subsection (c-1) to read as follows:

(c-1) A depository agent license holder shall prepare written reports and statements as follows:

(1) the renewal report required by Section 151.207(b)(2), including an audited unconsolidated financial statement that is dated as of the last day of the license holder's fiscal year that ended in the immediately preceding calendar year;

(2) a quarterly interim financial statement and report regarding the permissible investments required to be maintained under applicable rules that reflect the license holder's financial condition and permissible investments as of the last day of the calendar quarter to which the statement and report relate and that are prepared not later than the 45th day after the last day of the calendar quarter; and

(3) any other report required by commission rule or reasonably requested by the commissioner to determine compliance with this chapter.

SECTION 11. Section 151.604(b), Finance Code, is amended to read as follows:

(b) A license holder must file a written report with the commissioner not later than 24 hours after the license holder knows or has reason to know of:

(1) the filing of a petition by or against the license holder for bankruptcy or reorganization;

(2) the filing of a petition by or against the license holder for receivership, the commencement of any other judicial or administrative proceeding for its dissolution or reorganization, or the making of a general assignment for the benefit of the license holder's creditors;

(3) the institution of a proceeding to revoke or suspend the license holder's license, or to enjoin or otherwise require the license holder to cease and desist from engaging in an activity related to a business activity that, if conducted in this state, would be subject to this chapter ~~[money transmission]~~, by a state or country in which the license holder engages in business or is licensed;

(4) the felony indictment or conviction of the license holder or a principal of, person in control of, responsible individual of, or authorized delegate of the license holder for an offense identified in Section 151.202(e);

(5) the cancellation or other impairment of the license holder's security; or

(6) the inability to meet the license holder's transmission obligations under this chapter for a period of 24 hours or longer.

SECTION 12. Chapter 151, Finance Code, is amended by adding Subchapter J to read as follows:

SUBCHAPTER J. DEPOSITORY AGENT LICENSE

Sec. 151.851. DEFINITIONS. In this subchapter, "bullion," "deposit," "depository," "depository account," "depository account holder," "depository agent," "precious metal," and "specie" have the meanings assigned by Section 2116.001, Government Code.

Sec. 151.852. APPLICABILITY TO DEPOSITORY AGENT SERVICES.  
(a) Notwithstanding any other provision of this chapter, a money service that constitutes both a depository agent service and a money transmission service, or both a depository agent service and a currency exchange service, for purposes of this chapter constitutes a depository agent service only.

(b) A depository agent service described by Subsection (a) is not subject to a provision of this chapter applicable uniquely to money transmission services or currency exchange services.

(c) A person who renders a service that constitutes a depository agent service, including a depository agent service described by Subsection (a), and renders another service that constitutes money transmission or currency exchange service only, is subject to the requirements of this chapter applicable to each type of service rendered.

Sec. 151.853. LICENSE REQUIRED. (a) A person may not engage in the business of rendering depository agent services or advertise, solicit, or hold itself out as a person that engages in the business of depository agent services unless the person:

(1) is licensed under this subchapter and has received the requisite certifications from the comptroller of its facilities, systems, processes, and procedures as required by Chapter 2116, Government Code, or rules adopted under that chapter; or

(2) is excluded from licensing requirements under Section 151.003.

(b) Notwithstanding any other provision of this chapter, a person described by Section 151.003(1), (6), (7), (8), or (9) is not eligible for a license under this subchapter and may not engage in depository agent activities.

(c) For purposes of this chapter:

(1) a person engages in the business of depository agent services if the person renders a depository agent service, regardless of whether:

(A) compensation is sought or received for the service, directly or indirectly; and

(B) the service is incidental to any other business in which the person is primarily engaged; and

(2) a person solicits, advertises, or holds the person out as a person that engages in the business of depository agent services if the person represents that the person will conduct depository agent services.

(d) Notwithstanding Subsection (c), a person does not engage in the business of depository agent services by engaging in a transaction for the person's own depository account or for the account of another person acting as a fiduciary that would constitute depository agent services if conducted for another person.



(e) A depository agent license holder may engage in depository agent services business at one or more locations in this state owned directly or indirectly by the license holder under a single license.

Sec. 151.854. ADDITIONAL QUALIFICATIONS. In addition to the general qualifications for licensure set forth in Section 151.202, an applicant for a depository agent license must demonstrate to the satisfaction of the commissioner that:

(1) the applicant's financial condition will enable the applicant to safely and soundly engage in the business of depository agent services; and

(2) the applicant does not engage in any activity or practice that adversely affects the applicant's safety and soundness.

Sec. 151.855. APPLICATION AND ACCOMPANYING FEE, STATEMENTS, AND SECURITY. (a) An applicant for a depository agent license must submit an application in accordance with Section 151.203.

(b) At the time an application for a depository agent license is submitted, an applicant must file with the department:

(1) an application fee in the amount established by commission rule;

(2) audited financial statements that are satisfactory to the commissioner for purposes of determining whether the applicant has the minimum net worth required under applicable rules and is likely to maintain the required minimum net worth if a license is issued; and

(3) security in the amount of \$500,000 that meets the requirements of applicable rules and an undertaking or agreement that the applicant will increase or supplement the security to equal the aggregate security required by the commissioner before the issuance of the license and the start of operations.

Sec. 151.856. INVESTIGATION AND ACTION ON APPLICATION. The commissioner shall investigate the applicant and act on the application in accordance with Sections 151.204 and 151.205.

Sec. 151.857. TEMPORARY LICENSE. (a) The commissioner may issue a temporary depository agent license to a person that is engaging in depository agent services, but has not obtained a license under this subchapter, if the person:

(1) certifies in writing that the person qualifies for the license and will submit a completed license application not later than the 60th day after the date the temporary license is issued;

(2) submits a recent financial statement acceptable to the commissioner that reflects the minimum net worth required under applicable regulations;

(3) provides security that meets the requirements specified by the commissioner, but not less than \$500,000;

(4) agrees in writing that, until a permanent license is issued, the person will engage only in activities being conducted at existing locations; and

(5) pays the application fee and a nonrefundable temporary license fee in the amount established by commission rule.

(b) The effective period for a temporary depository agent license may not exceed 90 days after the date the license is issued. The commissioner may extend the effective period for not more than 30 days if necessary to complete the processing of a timely filed application for which approval is likely.

Sec. 151.858. LIABILITY OF LICENSE HOLDER. A depository agent license holder is liable for the delivery to or for the account of the depository or each depositor, as applicable, of all bullion, specie, and money payable or deliverable in connection with the transactions in which the license holder engages on behalf of the depository.

Sec. 151.859. TRUST IMPOSED. (a) A depository agent license holder shall hold in trust all cash, bullion, specie, and other assets received in the ordinary course of its business until the time the delivery obligation is discharged. A trust resulting from the depository agent license holder's actions is in favor of the persons to whom such delivery obligations are owed.

(b) If a depository agent license holder commingles any money or other property received for delivery with money or other property owned or controlled by the depository agent license holder, all commingled money and other property are impressed with a trust as provided by this section in an amount equal to the amount of money or property received for delivery, less the amount of fees paid for the delivery.

(c) If the commissioner revokes a depository agent license, all money and other property held in trust by the depository agent license holder is assigned to the commissioner for the benefit of the persons to whom the related delivery obligations are owed.

(d) Money or other property of a depository agent license holder impressed with a trust under this section may not be considered an asset or property of the license holder in the event of bankruptcy, receivership, or a claim against the license holder unrelated to the license holder's obligations under this chapter.

Sec. 151.860. DISCLOSURE REQUIREMENTS. (a) A depository agent license holder's name and mailing address or telephone number must be provided to the purchaser in connection with each depository agent services transaction conducted by the depository agent license holder.

(b) A depository agent license holder receiving currency or an instrument payable in currency for transmission must comply with Chapter 278.

SECTION 13. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

### **HB 483 - POINT OF ORDER**

Representative Raymond raised a point of order against further consideration of **HB 483** under Rule 13, Section 9 of the House Rules on the grounds that text of the bill that was not in disagreement between the two houses was changed.

The chair overruled the point of order and submitted the following statement:

Representative Raymond raised a point of order against further consideration of **HB 483** under Rule 13, Section 9 of the House Rules arguing that, as suggested by previous points of order by Representative Simpson, 84 H.J. Reg. 5219-5220 (2015) and 84 H.J. Reg. 5221 (2015), the text of the

conference committee report is improperly before the body because the conference committee report was created before the adoption of the out-of-bounds resolutions in both the house and the senate, that the conference committee report was filed in the senate before the resolution to go outside the bounds was adopted by the house, and that there is some evidence that both the house and the senate conferees had in fact come to a resolution of the difference before the filing or adoption of a resolution to go outside the bounds in either house. Proponents of the legislation, including Representative Simpson, urge that the house only consider house documents as they relate to the joint house-senate conference committee report. For the reasons stated in earlier points of order, this point of order is also respectfully overruled.

Representative Raymond's point of order, however, highlights several practical obstacles to Representative Simpson's desired approach to Rule 13, Section 9 of the House Rules. First, as evidenced by their practice over multiple sessions and by the actions taken on this bill, neither legislative body interprets this rule as Representative Simpson does. In this case, the senate did not seek permission of the senate before amending its conference committee report. In fact, the out-of-bounds resolution was adopted by the senate only moments before the conference committee report was—just as both houses' rules and practice allow. Second, even though the house adopted the conference committee out-of-bounds resolution before filing a conference committee report, the senate did not. In examining whether this differing timing is relevant, it is important to note that a conference committee report is a joint report—signed by both houses—and must represent agreed-on language. If house members knew, as posited by certain members, that the senate was signing the conference committee report for **HB 483** without express authority to make the changes, that surely would impact the validity and spirit of the conference committee report. Finally, Representative Raymond observes that the house resolution and the senate resolution suspending limitations are identical. The identical nature of the resolutions, including the identical nature of the added and deleted text, indicates that before the resolutions were passed, the parties had reached a specific "meeting of the minds" and agreed to go outside the bounds. Some members have suggested that this early agreement demonstrates that by the time the out-of-bounds resolution reached the house and senate, the conferees were seeking forgiveness rather than permission to alter text that had previously been approved by both chambers.

Whether anyone considers these actions to be shenanigans or not, the out-of-bounds resolutions had been prepared well in advance of the senate vote, there was general agreement of the parties, and the changes described were of a highly specific nature. This sequence of events is not a departure from House Rules or precedent. It is also of no moment that the out-of-bounds resolution was passed shortly before the conference committee report was adopted. The actions on the resolutions for this bill do bring home, in graphic detail, that the operation of conference committees and how they report are matters of joint concern and that neither chamber can expect to change the rules in these areas without impacting the other.

Representative Capriglione moved to adopt the conference committee report on **HB 483**.

The motion to adopt the conference committee report on **HB 483** prevailed by (Record 1776): 140 Yeas, 4 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Blanco; Dutton; Israel; Romero.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes.

### **HB 1915 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Herrero submitted the following conference committee report on **HB 1915**:

Austin, Texas, May 29, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 1915** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Hinojosa  
Kolkhorst  
L. Taylor  
V. Taylor

Herrero  
Lucio  
Hunter  
G. Bonnen

Uresti  
On the part of the senate

D. Bonnen  
On the part of the house

**HB 1915**, A bill to be entitled An Act relating to the allocation of state hotel occupancy tax revenue to certain barrier island coastal municipalities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 156.2512, Tax Code, is amended by amending Subsections (a), (b), and (c) and adding Subsection (e) to read as follows:

(a) Not later than the last day of the month following a calendar quarter and subject to Subsection (d), the comptroller shall:

(1) compute the amount of revenue, excluding revenue described by Subsection (e), derived from the collection of taxes imposed under this chapter at a rate of two [one] percent and received from hotels located [on barrier islands] in an eligible barrier island coastal municipality; [described by Subsection (e)(1)(C)(i) or (ii)] and

(2) issue to the municipality a warrant drawn on the general revenue fund for that amount[; and

~~[(2) compute the amount of revenue derived from the collection of taxes imposed under this chapter at a rate of two percent and received from hotels located on barrier islands in an eligible barrier island coastal municipality described by Subsection (e)(1)(C)(iii) and issue to the municipality a warrant drawn on the general revenue fund for that amount].~~

(b) An eligible barrier island coastal municipality may use money received under this section only:

(1) to clean and maintain public beaches in that municipality; ~~and~~

(2) for an erosion response project in that municipality; and

(3) to clean and maintain bay shores owned by that municipality or leased by that municipality from this state.

(c) In this section:

(1) "Eligible barrier island coastal municipality" means a municipality:

(A) that borders on the Gulf of Mexico;

(B) that is located wholly or partly on a barrier island; and

(C) that [the boundaries of which]:

(i) includes an institution of higher education that is part of the Texas Coastal Ocean Observation Network under Section 33.065, Natural Resources Code [include a portion of a national seashore];

(ii) includes [include] a national estuarine research reserve; [or]

(iii) is located [are] within 30 miles of the United Mexican States; or

(iv) has a population of less than 10,000 and is located in a county with a population of at least 300,000 that is adjacent to a county with a population of at least 3,000,000.

(2) "Clean and maintain" has the meaning assigned by Section 61.063, Natural Resources Code.

(3) "Erosion response project" has the meaning assigned by Section 33.601, Natural Resources Code.

(e) This section does not apply to revenue derived from the collection of taxes paid by persons for the use or possession of or for the right to the use or possession of a room or space at a qualified hotel project, the owner of which is entitled to a rebate, refund, or payment of hotel occupancy tax revenue under:

(1) Section 2303.5055, Government Code; or

(2) Section 151.429(h).

SECTION 2. This Act takes effect October 1, 2015.

Representative Herrero moved to adopt the conference committee report on **HB 1915**.

The motion to adopt the conference committee report on **HB 1915** prevailed by (Record 1777): 126 Yeas, 15 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Deshotel; Dutton; Elkins; Faircloth; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Schofield; Schubert; Shaheen; Sheffield; Simmons; Smith; Springer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; Workman; Wray; Wu; Zerwas.

Nays — Fallon; Krause; Kuempel; Peña; Rinaldi; Sanford; Schaefer; Simpson; Smithee; Spitzer; Stickland; Tinderholt; Turner, E.S.; White, M.; Zedler.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Bernal; Blanco; Davis, Y.; Dukes.

#### STATEMENT OF VOTE

When Record No. 1777 was taken, my vote failed to register. I would have voted yes.

Bernal

#### HR 3395 - ADOPTED (by Blanco)

The following privileged resolution was laid before the house:

**HR 3395**

BE IT RESOLVED by the House of Representatives of the State of Texas, 84th Legislature, Regular Session, 2015, That House Rule 13, Section 9(a), be suspended in part as provided by House Rule 13, Section 9(f), to enable the conference committee appointed to resolve the differences on **HB 2645** (the prosecution of certain offenses involving family violence and to the violation of certain court orders or conditions of bond in a family violence, sexual assault or abuse, or stalking case) to consider and take action on the following matter:

House Rule 13, Section 9(a)(4), is suspended to permit the committee to add text on a matter which is not included in either the house or senate version of the bill by adding the following text to SECTION 1 of the bill, in added Article 38.371, Code of Criminal Procedure:

(c) This article does not permit the presentation of character evidence that would otherwise be inadmissible under the Texas Rules of Evidence or other applicable law.

Explanation: This addition is necessary to clarify that Article 38.371, Code of Criminal Procedure, does not permit the presentation of character evidence that is otherwise inadmissible under the Texas Rules of Evidence or other applicable law.

**HR 3395** was adopted by (Record 1778): 133 Yeas, 11 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schofield; Schubert; Shaheen; Sheffield; Simmons; Smith; Smithee; Spitzer; Springer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Hunter; Klick; Murr; Phillips; Rinaldi; Schaefer; Simpson; Stickland; Tinderholt; Turner, E.S.; White, M.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes.

**HB 2645 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Blanco submitted the following conference committee report on **HB 2645**:

Austin, Texas, May 30, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 2645** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Hinojosa  
Burton  
Huffman  
Whitmire

Blanco  
Fallon  
Moody  
Herrero  
Alvarado

On the part of the senate

On the part of the house

**HB 2645**, A bill to be entitled An Act relating to the prosecution of certain offenses involving family violence and to the violation of certain court orders or conditions of bond in a family violence, sexual assault or abuse, or stalking case.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 38, Code of Criminal Procedure, is amended by adding Article 38.371 to read as follows:

Art. 38.371. EVIDENCE IN PROSECUTIONS OF CERTAIN OFFENSES INVOLVING FAMILY VIOLENCE. (a) This article applies to a proceeding in the prosecution of a defendant for an offense, or for an attempt or conspiracy to commit an offense, that is committed under:

(1) Section 22.01 or 22.02, Penal Code, against a person whose relationship to or association with the defendant is described by Section 71.0021(b), 71.003, or 71.005, Family Code; or

(2) Section 25.07 or 25.072, Penal Code, if the offense is based on a violation of an order or a condition of bond in a case involving family violence.

(b) In the prosecution of an offense described by Subsection (a), subject to the Texas Rules of Evidence or other applicable law, each party may offer testimony or other evidence of all relevant facts and circumstances that would assist the trier of fact in determining whether the actor committed the offense described by Subsection (a), including testimony or evidence regarding the nature of the relationship between the actor and the alleged victim.

(c) This article does not permit the presentation of character evidence that would otherwise be inadmissible under the Texas Rules of Evidence or other applicable law.

SECTION 2. Section 25.07(a), Penal Code, is amended to read as follows:



(a) A person commits an offense if, in violation of a condition of bond set in a family violence, sexual assault or abuse, or stalking case and related to the safety of a victim or the safety of the community, an order issued under Article 17.292, Code of Criminal Procedure, an order issued under Section 6.504, Family Code, Chapter 83, Family Code, if the temporary ex parte order has been served on the person, or Chapter 85, Family Code, or an order issued by another jurisdiction as provided by Chapter 88, Family Code, the person knowingly or intentionally:

(1) commits family violence or an act in furtherance of an offense under Section 22.011, 22.021, or 42.072;

(2) communicates:

(A) directly with a protected individual or a member of the family or household in a threatening or harassing manner;

(B) a threat through any person to a protected individual or a member of the family or household; or

(C) in any manner with the protected individual or a member of the family or household except through the person's attorney or a person appointed by the court, if the violation is of an order described by this subsection and the order prohibits any communication with a protected individual or a member of the family or household;

(3) goes to or near any of the following places as specifically described in the order or condition of bond:

(A) the residence or place of employment or business of a protected individual or a member of the family or household; or

(B) any child care facility, residence, or school where a child protected by the order or condition of bond normally resides or attends;

(4) possesses a firearm; ~~or~~

(5) harms, threatens, or interferes with the care, custody, or control of a pet, companion animal, or assistance animal that is possessed by a person protected by the order; or

(6) removes, attempts to remove, or otherwise tampers with the normal functioning of a global positioning monitoring system.

SECTION 3. Section 25.07(b), Penal Code, is amended by adding Subdivision (2-a) to read as follows:

(2-a) "Global positioning monitoring system" has the meaning assigned by Article 17.49, Code of Criminal Procedure.

SECTION 4. (a) The change in law made by this Act in adding Article 38.371, Code of Criminal Procedure, applies to the admissibility of evidence in a criminal proceeding that commences on or after the effective date of this Act. The admissibility of evidence in a criminal proceeding that commences before the effective date of this Act is governed by the law in effect on the date the proceeding commenced, and the former law is continued in effect for that purpose.

(b) The change in law made by this Act in amending Section 25.07, Penal Code, applies only to an offense committed on or after the effective date of this Act. An offense committed before the effective date of this Act is governed by

the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose. For purposes of this subsection, an offense was committed before the effective date of this Act if any element of the offense occurred before that date.

SECTION 5. This Act takes effect September 1, 2015.

Representative Blanco moved to adopt the conference committee report on **HB 2645**.

The motion to adopt the conference committee report on **HB 2645** prevailed by (Record 1779): 143 Yeas, 1 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Stickland.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes.

#### **HB 3535 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Collier submitted the following conference committee report on **HB 3535**:

Austin, Texas, May 28, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 3535** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Menéndez  
Nelson  
Bettencourt  
Uresti

L. Taylor

On the part of the senate

Collier

Riddle

Kuempel

Bernal

Johnson

On the part of the house

**HB 3535**, A bill to be entitled An Act relating to low income housing tax credits awarded for certain developments.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 2306.6711, Government Code, is amended by adding Subsection (g) to read as follows:

(g) Except as necessary to comply with the nonprofit set-aside required by Section 42(h)(5), Internal Revenue Code of 1986 (26 U.S.C. Section 42(h)(5)), in an urban subregion of a uniform state service region that contains a county with a population of more than 1.7 million, the board shall allocate housing tax credits to the highest scoring development, if any, that is part of a concerted plan of revitalization and is located in that urban subregion in a municipality with a population of 500,000 or more.

SECTION 2. The change in law made by this Act applies only to the allocation of low income housing tax credits for an application cycle that begins on or after January 1, 2017. The allocation of low income housing tax credits for an application cycle that begins before January 1, 2017, is governed by the law in effect on the date the application cycle began, and the former law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2015.

Representative Collier moved to adopt the conference committee report on **HB 3535**.

The motion to adopt the conference committee report on **HB 3535** prevailed by (Record 1780): 79 Yeas, 63 Nays, 3 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Bernal; Blanco; Burkett; Canales; Capriglione; Clardy; Coleman; Collier; Dale; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Galindo; Giddings; Gonzales; González; Guerra; Guillen; Gutierrez; Hernandez; Herrero; Howard; Isaac; Israel; Johnson; Kacal; Keffer; King, P.; King, S.; King, T.; Koop; Larson; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Meyer; Miles; Moody; Morrison; Muñoz; Murphy; Naishtat; Nevárez; Oliveira; Paul; Pickett; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Thompson, S.; Turner, C.; Turner, S.; Villalba; Vo; Walle; Wray; Wu; Zerwas.

Nays — Anderson, R.; Ashby; Aycock; Bell; Bohac; Bonnen, D.; Bonnen, G.; Burns; Burrows; Button; Cook; Craddick; Crownover; Cyrier; Darby; Fallon; Frullo; Geren; Goldman; Harless; Huberty; Hughes; Keough; King, K.; Klick; Krause; Kuempel; Landgraf; Laubenberg; Leach; Metcalf; Miller, D.; Miller, R.; Murr; Otto; Paddie; Parker; Peña; Phelan; Phillips; Price; Rinaldi; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Tinderholt; Turner, E.S.; VanDeaver; White, J.; White, M.; Zedler.

Present, not voting — Mr. Speaker; Sheets(C); Workman.

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Hunter.

### STATEMENTS OF VOTE

When Record No. 1780 was taken, I was in the house but away from my desk. I would have voted no.

Hunter

When Record No. 1780 was taken, I was shown voting yes. I intended to vote no.

Isaac

When Record No. 1780 was taken, I was shown voting yes. I intended to vote no.

P. King

When Record No. 1780 was taken, I was shown voting yes. I intended to vote no.

Larson

When Record No. 1780 was taken, I was shown voting yes. I intended to vote no.

Paul

When Record No. 1780 was taken, I was shown voting yes. I intended to vote no.

Wray

### HB 2150 - CONFERENCE COMMITTEE REPORT ADOPTED

Representative Alvarado submitted the following conference committee report on **HB 2150**:

Austin, Texas, May 29, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 2150** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Whitmire

Hinojosa

Huffman

Burton

Perry

On the part of the senate

Alvarado

Harless

Johnson

Moody

Riddle

On the part of the house

**HB 2150**, A bill to be entitled An Act relating to the organization of a grand jury.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article 19.01, Code of Criminal Procedure, is amended to read as follows:

Art. 19.01. SELECTION AND SUMMONS OF PROSPECTIVE GRAND JURORS ~~[APPOINTMENT OF JURY COMMISSIONERS; SELECTION WITHOUT JURY COMMISSION]~~. [(a)] The ~~[district judge, at or during any term of court, shall appoint not less than three, nor more than five persons to perform the duties of jury commissioners, and shall cause the sheriff to notify them of their appointment, and when and where they are to appear. The district judge shall, in the order appointing such commissioners, designate whether such commissioners shall serve during the term at which selected or for the next succeeding term. Such commissioners shall receive as compensation for each day or part thereof they may serve the sum of Ten Dollars, and they shall possess the following qualifications:~~

~~[1. Be intelligent citizens of the county and able to read and write the English language;~~

~~[2. Be qualified jurors in the county;~~

~~[3. Have no suit in said court which requires intervention of a jury;~~

~~[4. Be residents of different portions of the county; and~~

~~[5. The same person shall not act as jury commissioner more than once in any 12 month period.~~

~~[(b) In lieu of the selection of prospective jurors by means of a jury commission, the]~~ district judge shall shall ~~[may]~~ direct that 20 to 125 prospective grand jurors be selected and summoned, with return on summons, in the same manner as for the selection and summons of panels for the trial of civil cases in the district courts. The judge shall try the qualifications for and excuses from service as a grand juror and impanel the completed grand jury ~~[in the same manner]~~ as provided by this chapter ~~[for grand jurors selected by a jury commission]~~.

SECTION 2. Article 19.07, Code of Criminal Procedure, is amended to read as follows:

Art. 19.07. EXTENSION BEYOND TERM OF PERIOD FOR WHICH GRAND JURORS SHALL SIT. If prior to the expiration of the term for which the grand jury was impaneled, it is made to appear by a declaration of the

foreman or of a majority of the grand jurors in open court, that the investigation by the grand jury of the matters before it cannot be concluded before the expiration of the term, the judge of the district court in which said grand jury was impaneled may, by the entry of an order on the minutes of said court, extend, from time to time, for the purpose of concluding the investigation of matters then before it, the period during which said grand jury shall sit, for not to exceed a total of ninety days after the expiration of the term for which it was impaneled, and all indictments pertaining thereto returned by the grand jury within said extended period shall be as valid as if returned before the expiration of the term. ~~[The extension of the term of a grand jury under this article does not affect the provisions of Article 19.06 relating to the selection and summoning of grand jurors for each regularly scheduled term.]~~

SECTION 3. Article 19.08, Code of Criminal Procedure, is amended to read as follows:

Art. 19.08. QUALIFICATIONS. No person shall be selected or serve as a grand juror who does not possess the following qualifications:

1. The person must be a citizen of the state, and of the county in which the person is to serve, and be qualified under the Constitution and laws to vote in said county, provided that the person's failure to register to vote shall not be held to disqualify the person in this instance;
2. The person must be of sound mind and good moral character;
3. The person must be able to read and write;
4. The person must not have been convicted of misdemeanor theft or a felony;
5. The person must not be under indictment or other legal accusation for misdemeanor theft or a felony;
6. The person must not be related within the third degree of consanguinity or second degree of affinity, as determined under Chapter 573, Government Code, to any person selected to serve or serving on the same grand jury;
7. The person must not have served as grand juror ~~[or jury commissioner]~~ in the year before the date on which the term of court for which the person has been selected as grand juror begins; and
8. The person must not be a complainant in any matter to be heard by the grand jury during the term of court for which the person has been selected as a grand juror.

SECTION 4. Article 19.18, Code of Criminal Procedure, is amended to read as follows:

Art. 19.18. IF LESS THAN SIXTEEN ~~[FOURTEEN]~~ ATTEND. When less than sixteen ~~[fourteen]~~ of those summoned to serve as grand jurors are found to be in attendance and qualified to so serve, the court shall order the sheriff to summon such additional number of persons as may be deemed necessary to constitute a grand jury of twelve persons and four ~~[two]~~ alternates.

SECTION 5. Article 19.19, Code of Criminal Procedure, is amended to read as follows:

Art. 19.19. JURORS TO ATTEND FORTHWITH. The jurors provided for in Article 19.18 ~~[the two preceding Articles]~~ shall be summoned in person to attend before the court forthwith.

SECTION 6. Article 19.20, Code of Criminal Procedure, is amended to read as follows:

Art. 19.20. TO SUMMON QUALIFIED PERSONS. On ~~Upon~~ directing the sheriff to summon grand jurors ~~[not selected by the jury commissioners]~~, the court shall instruct the sheriff ~~[him]~~ that the sheriff ~~[he]~~ must not summon any ~~[no]~~ person to serve as a grand juror who does not possess the qualifications prescribed by law.

SECTION 7. Article 19.23, Code of Criminal Procedure, is amended to read as follows:

Art. 19.23. MODE OF TEST. In trying the qualifications of any person to serve as a grand juror, that person ~~[he]~~ shall be asked:

1. Are you a citizen of this state and county, and qualified to vote in this county, under the Constitution and laws of this state?
2. Are you able to read and write?
3. Have you ever been convicted of misdemeanor theft or any ~~[a]~~ felony?
4. Are you under indictment or other legal accusation for misdemeanor theft or for any felony?

SECTION 8. Article 19.26, Code of Criminal Procedure, is amended to read as follows:

Art. 19.26. JURY IMPANELED. (a) When at least sixteen ~~[fourteen]~~ qualified jurors are found to be present, the court shall select twelve fair and impartial persons to serve as grand jurors and four additional persons to serve as alternate grand jurors. The grand jurors and the alternate grand jurors shall be randomly selected from a fair cross section of the population of the area served by the court.

(b) The court shall proceed to impanel the grand jury, unless a challenge is made, which may be to the array or to any particular person presented to serve as a grand juror or an alternate.

~~[(b) The grand jury is composed of not more than twelve qualified jurors.]~~  
In addition, the court shall ~~[qualify and]~~ impanel four ~~[not more than two]~~ alternates to serve on disqualification or unavailability of a juror during the term of the grand jury. On learning that a grand juror has become disqualified or unavailable during the term of the grand jury, the attorney representing the state shall prepare an order for the court identifying the disqualified or unavailable juror, stating the basis for the disqualification or unavailability, dismissing the disqualified or unavailable juror from the grand jury, and naming one of the alternates as a member of the grand jury. The procedure established by this subsection may be used on disqualification or unavailability of a second or subsequent grand juror during the term of the grand jury. For purposes of this subsection, a juror is unavailable if the juror is unable to participate fully in the duties of the grand jury because of the death of the juror, ~~[or]~~ a physical or mental illness of the juror, or any other reason the court determines constitutes good cause for dismissing the juror.

SECTION 9. Article 19.30, Code of Criminal Procedure, is amended to read as follows:

Art. 19.30. CHALLENGE TO "ARRAY". A challenge to the "array" shall be made in writing for these causes only:

1. That those summoned as grand jurors are not in fact those selected by the method provided by Article 19.01 [~~19.01(b) of this chapter or by the jury commissioners~~]; and

2. That [~~In case of grand jurors summoned by order of the court, that~~] the officer who summoned the grand jurors [~~them had~~] acted corruptly in summoning any one or more of them.

SECTION 10. Article 19.31, Code of Criminal Procedure, is amended to read as follows:

Art. 19.31. CHALLENGE TO JUROR. (a) A challenge to a particular grand juror may be made orally for any of the following causes [~~only~~]:

1. That the juror is insane;

2. That the juror has such defect in the organs of feeling or hearing, or such bodily or mental defect or disease as to render the juror unfit for jury service, or that the juror is legally blind and the court in its discretion is not satisfied that the juror is fit for jury service in that particular case;

3. That the juror is a witness in or a target of an investigation of a grand jury;

4. That the juror served on a petit jury in a former trial of the same alleged conduct or offense that the grand jury is investigating;

5. That the juror has a bias or prejudice in favor of or against the person accused or suspected of committing an offense that the grand jury is investigating;

6. That from hearsay, or otherwise, there is established in the mind of the juror such a conclusion as to the guilt or innocence of the person accused or suspected of committing an offense that the grand jury is investigating as would influence the juror's vote on the presentment of an indictment;

7. That the juror is related within the third degree by consanguinity or affinity, as determined under Chapter 573, Government Code, to a person accused or suspected of committing an offense that the grand jury is investigating or to a person who is a victim of an offense that the grand jury is investigating;

8. That the juror has a bias or prejudice against any phase of the law upon which the state is entitled to rely for an indictment;

9. That the juror [~~he~~] is not a qualified juror; and

10. [2.] That the juror [~~he~~] is the prosecutor upon an accusation against the person making the challenge.

(b) A challenge under Subsection (a)(3) may be made ex parte and shall be reviewed and ruled on in an in camera proceeding. The court shall seal any record of the challenge.

(c) In this article, "legally blind" has the meaning assigned by Article 35.16(a).

SECTION 11. Chapter 19, Code of Criminal Procedure, is amended by adding Article 19.315 to read as follows:



Art. 19.315. RECUSAL OF JUROR. (a) If, during the course of a juror's service on the grand jury, the juror determines that the juror could be subject to a valid challenge for cause under Article 19.31, the juror shall recuse himself or herself from grand jury service until the cause no longer exists. A person who knowingly fails to recuse himself or herself under this subsection may be held in contempt of court. A person authorized to be present in the grand jury room shall report a known violation of this subsection to the court.

(b) The court shall instruct the grand jury as to the duty imposed by Subsection (a).

SECTION 12. Section 24.014(b), Government Code, is amended to read as follows:

(b) The judge may impanel ~~[appoint jury commissioners who select and draw]~~ grand and petit jurors as provided by law. The jurors may be summoned to appear before the court at the time designated by the judge.

SECTION 13. Section 24.135(c), Government Code, is amended to read as follows:

(c) The judge of the 33rd District Court may ~~[select jury commissioners and]~~ impanel grand juries in each county. The judge of the 33rd District Court may alternate the drawing of grand juries with the judge of any other district court in each county within the 33rd Judicial District and may order grand and petit juries to be drawn for any term of the court as the judge determines is necessary, by an order entered in the minutes of the court. Indictments within each county may be returned to either court within that county.

SECTION 14. Section 24.377(b), Government Code, is amended to read as follows:

(b) The judge of the 198th District Court may ~~[select jury commissioners and]~~ impanel grand juries in each county. The judge of the 198th District Court may alternate the drawing of grand juries with the judge of any other district court in each county within the judge's district and may order grand and petit juries to be drawn for any term of the judge's court as in the judge's judgment is necessary, by an order entered in the minutes of the court. Indictments within each county may be returned to either court within that county.

SECTION 15. Section 24.396(b), Government Code, is amended to read as follows:

(b) The judge of the 218th District Court may ~~[select grand jury commissioners and]~~ impanel grand juries in each county in the district but is not required to impanel a grand jury in any county except when the judge ~~[he]~~ considers it necessary. The judge may alternate the impaneling of grand juries in each county with the judge of any other district court in that county, or the judges may by agreement determine which one of the courts will impanel the grand juries. Indictments within each county may be returned to any district court within that county. All grand and petit juries drawn for one district court in each county are interchangeable with any other district court in that county as if the jury had been drawn for the court in which it is used.

SECTION 16. Section 24.487(b), Government Code, is amended to read as follows:

(b) The judge of the 341st District Court may ~~[select jury commissioners and]~~ impanel grand juries in Webb County. The judge of the 341st District Court may alternate the drawing of grand juries with the judge of any other district court in the county. By order entered on the minutes, for any term that the judge considers it necessary, the judge may order grand and petit juries to be drawn.

SECTION 17. Section 24.568(d), Government Code, is amended to read as follows:

(d) The judge of the 424th District Court may ~~[select jury commissioners and]~~ impanel grand juries in each county. The judge of the 424th District Court may alternate the drawing of grand juries with the judge of any other district court in each county within the 424th Judicial District and may order grand and petit juries to be drawn for any term of the court as the judge determines is necessary, by an order entered in the minutes of the court. Indictments within each county may be returned to either court within that county.

SECTION 18. Section 24.596(b), Government Code, is amended to read as follows:

(b) The judge of the 452nd District Court may ~~[select jury commissioners and]~~ impanel grand juries in each county. The judge of the 452nd District Court may order grand and petit juries to be drawn for any term of the judge's court as in the judge's judgment is necessary, by an order entered in the minutes of the court.

SECTION 19. The heading to Section 402.024, Government Code, is amended to read as follows:

Sec. 402.024. DEFENSE OF DISTRICT ATTORNEY~~[-, GRAND JURY COMMISSIONER,]~~ OR GRAND JUROR.

SECTION 20. Section 402.024(b), Government Code, is amended to read as follows:

(b) The attorney general shall defend a state ~~[grand jury commissioner or]~~ grand juror who is a defendant in an action in any court if:

(1) the suit involves an act of the person while in the performance of duties as a ~~[grand jury commissioner or]~~ grand juror; and

(2) the person requests the attorney general's assistance in the defense.

SECTION 21. The following provisions are repealed:

(1) Articles 19.02, 19.03, 19.04, 19.05, 19.06, 19.09, 19.10, 19.11, 19.12, 19.13, 19.14, 19.15, and 19.17, Code of Criminal Procedure; and

(2) Section 24.014(c), Government Code.

SECTION 22. (a) Except as provided by Subsection (b) of this section, the changes in law made by this Act apply to a grand jury impaneled on or after the effective date of this Act. A grand jury impaneled before the effective date of this Act is governed by the law in effect on the date the grand jury was impaneled, and the former law is continued in effect for that purpose.

(b) Section 402.024(b), Government Code, as amended by this Act, applies only to a court action arising from an act of a person that occurs on or after the effective date of this Act. A court action arising from an act of a person that

occurred before the effective date of this Act is governed by the law in effect on the date the act occurred, and the former law is continued in effect for that purpose.

SECTION 23. This Act takes effect September 1, 2015.

Representative Alvarado moved to adopt the conference committee report on **HB 2150**.

The motion to adopt the conference committee report on **HB 2150** prevailed by (Record 1781): 86 Yeas, 57 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Bernal; Blanco; Bohac; Canales; Coleman; Collier; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Farias; Farrar; Fletcher; Flynn; Galindo; Geren; Giddings; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Israel; Johnson; Kacal; Keffer; Keough; King, S.; Klick; Koop; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Meyer; Miles; Moody; Muñoz; Murphy; Naishtat; Nevárez; Oliveira; Otto; Parker; Paul; Peña; Pickett; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Schaefer; Schofield; Simpson; Smith; Springer; Thompson, S.; Turner, C.; Turner, S.; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Capriglione; Clardy; Cook; Craddick; Crownover; Cyrier; Dale; Fallon; Farney; Frank; Frullo; Goldman; Gonzales; Isaac; King, K.; King, P.; King, T.; Krause; Kuempel; Landgraf; Larson; Leach; Metcalf; Miller, D.; Miller, R.; Morrison; Murr; Paddie; Phelan; Phillips; Price; Rinaldi; Sanford; Schubert; Shaheen; Sheffield; Simmons; Smithee; Spitzer; Stephenson; Stickland; Thompson, E.; Tinderholt; Turner, E.S.; VanDeaver; Villalba.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Laubenberg.

#### STATEMENTS OF VOTE

When Record No. 1781 was taken, I was shown voting no. I intended to vote yes.

Capriglione

When Record No. 1781 was taken, I was shown voting no. I intended to vote yes.

Frank

When Record No. 1781 was taken, I was shown voting yes. I intended to vote no.

Hunter

When Record No. 1781 was taken, I was shown voting yes. I intended to vote no.

Paul

**HR 3430 - ADOPTED**  
**(by Phillips)**

The following privileged resolution was laid before the house:

**HR 3430**

BE IT RESOLVED by the House of Representatives of the State of Texas, 84th Legislature, Regular Session, 2015, That House Rule 13, Section 9(a), be suspended in part as provided by House Rule 13, Section 9(f), to enable the conference committee appointed to resolve the differences on **SB 1465** (creating limited purpose disaster declaration authority for the governor and a search and rescue task force in each disaster field response region) to consider and take action on the following matter:

House Rule 13, Section 9(a)(4), is suspended to permit the committee to add text on a matter which is not included in either the house or senate version of the bill by adding the following new SECTION to the bill:

SECTION 2. Section 418.043, Government Code, is amended to read as follows:

Sec. 418.043. OTHER POWERS AND DUTIES. The division shall:

- (1) determine requirements of the state and its political subdivisions for food, clothing, and other necessities in event of a disaster;
- (2) procure and position supplies, medicines, materials, and equipment;
- (3) adopt standards and requirements for local and interjurisdictional emergency management plans;
- (4) periodically review local and interjurisdictional emergency management plans;
- (5) coordinate deployment of mobile support units;
- (6) establish and operate training programs and programs of public information or assist political subdivisions and emergency management agencies to establish and operate the programs;
- (7) make surveys of public and private industries, resources, and facilities in the state that are necessary to carry out the purposes of this chapter;
- (8) plan and make arrangements for the availability and use of any private facilities, services, and property and provide for payment for use under terms and conditions agreed on if the facilities are used and payment is necessary;
- (9) establish a register of persons with types of training and skills important in disaster mitigation, preparedness, response, and recovery;
- (10) establish a register of mobile and construction equipment and temporary housing available for use in a disaster;
- (11) assist political subdivisions in developing plans for the humane evacuation, transport, and temporary sheltering of service animals and household pets in a disaster;

(12) prepare, for issuance by the governor, executive orders and regulations necessary or appropriate in coping with disasters;

(13) cooperate with the federal government and any public or private agency or entity in achieving any purpose of this chapter and in implementing programs for disaster mitigation, preparation, response, and recovery;

(14) develop a plan to raise public awareness and expand the capability of the information and referral network under Section 531.0312;

(15) improve the integration of volunteer groups, including faith-based organizations, into emergency management plans;

(16) cooperate with the Federal Emergency Management Agency to create uniform guidelines for acceptable home repairs following disasters and promote public awareness of the guidelines;

(17) cooperate with state agencies to:

(A) encourage the public to participate in volunteer emergency response teams and organizations that respond to disasters; and

(B) provide information on those programs in state disaster preparedness and educational materials and on Internet websites;

(18) establish a liability awareness program for volunteers, including medical professionals;

(19) define "individuals with special needs" in the context of a disaster;

(20) establish and operate, subject to the availability of funds, a search and rescue task force in each field response region established by the division to assist in search, rescue, and recovery efforts before, during, and after a natural or man-made disaster; and

(21) ~~[(20)]~~ do other things necessary, incidental, or appropriate for the implementation of this chapter.

Explanation: This addition is necessary to authorize the Texas Division of Emergency Management to establish and operate a search and rescue task force.

**HR 3430** was adopted by (Record 1782): 135 Yeas, 6 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Simmons; Smith; Smithee;

Springer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Dutton; Rinaldi; Simpson; Spitzer; Stickland; Tinderholt.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Fletcher; Raney; Romero.

#### **SB 1465 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Phillips submitted the conference committee report on **SB 1465**.

Representative Phillips moved to adopt the conference committee report on **SB 1465**.

The motion to adopt the conference committee report on **SB 1465** prevailed by (Record 1783): 139 Yeas, 2 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Thompson, E.; Tinderholt; Turner, C.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Dutton; Stickland.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Raney; Thompson, S.; Turner, E.S.

#### **HB 743 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Huberty submitted the following conference committee report on **HB 743**:

Austin, Texas, May 29, 2015

The Honorable Dan Patrick

President of the Senate

The Honorable Joe Straus

Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 743** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Seliger  
L. Taylor  
Nichols  
Lucio

Huberty  
Isaac  
Farney  
Deshotel  
K. King

On the part of the senate

On the part of the house

**HB 743**, A bill to be entitled An Act relating to the essential knowledge and skills of the required public school curriculum and to certain assessment instruments for public school students.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 39.023, Education Code, is amended by adding Subsections (a-11), (a-12), and (a-13) to read as follows:

(a-11) Before an assessment instrument adopted or developed under Subsection (a) may be administered under that subsection, the assessment instrument must, on the basis of empirical evidence, be determined to be valid and reliable by an entity that is independent of the agency and of any other entity that developed the assessment instrument.

(a-12) An assessment instrument adopted or developed under Subsection (a) must be designed so that:

(1) if administered to students in grades three through five, 85 percent of students will be able to complete the assessment instrument within 120 minutes; and

(2) if administered to students in grades six through eight, 85 percent of students will be able to complete the assessment instrument within 180 minutes.

(a-13) The amount of time allowed for administration of an assessment instrument adopted or developed under Subsection (a) may not exceed eight hours, and the administration may occur on only one day.

SECTION 2. Subchapter B, Chapter 39, Education Code, is amended by adding Section 39.0236 to read as follows:

Sec. 39.0236. STUDY OF ESSENTIAL KNOWLEDGE AND SKILLS AND ASSESSMENT INSTRUMENTS. (a) The agency shall conduct a study regarding the essential knowledge and skills of the required curriculum identified by the State Board of Education under Section 28.002 and assessment instruments administered under Section 39.023.

(b) The study must evaluate:

(1) the number and scope of the essential knowledge and skills of each subject of the required curriculum under Section 28.002, with each essential knowledge or skill identified as a readiness or supporting standard, and whether the number or scope should be limited;

(2) the number and subjects of assessment instruments under Section 39.023 that are required to be administered to students in grades three through eight; and

(3) how assessment instruments described by Subdivision (2) assess standards essential for student success and whether the assessment instruments should also assess supporting standards, including analysis of:

(A) the portion of the essential knowledge and skills capable of being accurately assessed;

(B) the appropriate skills that can be assessed within the testing parameters under current law; and

(C) how current standards compare to those parameters.

(c) Not later than March 1, 2016, the agency shall prepare and submit to the State Board of Education a report concerning the results of the study under Subsection (b). Not later than May 1, 2016, the State Board of Education shall review the study and shall submit to the governor and each member of the legislature the agency's report and board recommendations regarding each issue evaluated under Subsection (b).

(d) This section expires June 1, 2017.

SECTION 3. Sections 39.0261(b) and (c), Education Code, are amended to read as follows:

(b) The agency shall:

(1) select and approve vendors of the specific assessment instruments administered under this section; and

(2) provide reimbursement to a school district for [pay] all fees associated with the administration of the assessment instrument from funds appropriated for that purpose [allotted under the Foundation School Program, and the commissioner shall reduce the total amount of state funds allocated to each district from any source in the same manner described for a reduction in allotments under Section 42.253].

(c) The agency shall ensure that a school district is not reimbursed [vendors are not paid] under Subsection (b) for the administration of an assessment instrument to a student to whom the assessment instrument is not actually administered. The agency may comply with this subsection by any reasonable means, including by creating a refund system under which a school district [vendor] returns any payment made for a student who registered for the administration of an assessment instrument but did not appear for the administration.

SECTION 4. Subchapter B, Chapter 39, Education Code, is amended by adding Section 39.0381 to read as follows:

Sec. 39.0381. AUDITING AND MONITORING PERFORMANCE UNDER CONTRACTS FOR ASSESSMENT INSTRUMENTS. (a) The agency by rule shall develop a comprehensive methodology for auditing and monitoring



performance under contracts for services to develop or administer assessment instruments required by Section 39.023 to verify compliance with contractual obligations.

(b) The agency shall ensure that all new and renewed contracts described by Subsection (a) include a provision that the agency or a designee of the agency may conduct periodic contract compliance reviews, without advance notice, to monitor vendor performance.

(c) The agency shall adopt rules to administer this section.

SECTION 5. This Act applies beginning with the 2015-2016 school year.

SECTION 6. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

Representative Huberty moved to adopt the conference committee report on **HB 743**.

The motion to adopt the conference committee report on **HB 743** prevailed by (Record 1784): 143 Yeas, 1 Nays, 1 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenber; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets(C); Sheffield; Simmons; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Simpson.

Present, not voting — Mr. Speaker.

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Rodriguez, J.

#### STATEMENT OF VOTE

When Record No. 1784 was taken, I was shown voting yes. I intended to vote no.

Keough

**HR 3437 - ADOPTED**  
**(by S. Thompson)**

The following privileged resolution was laid before the house:

**HR 3437**

BE IT RESOLVED by the House of Representatives of the State of Texas, 84th Legislature, Regular Session, 2015, That House Rule 13, Section 9(a), be suspended in part as provided by House Rule 13, Section 9(f), to enable the conference committee appointed to resolve the differences on **SB 1882** (a bill of rights for wards under guardianship) to consider and take action on the following matter:

House Rule 13, Section 9(a)(4), is suspended to permit the committee to add text on a matter which is not included in either the house or senate version of the bill by changing text in added Section 1151.351(b), Estates Code, in SECTION 1 of the bill, to read as follows:

(b) Unless limited by a court or otherwise restricted by law, a ward is authorized to the following:

Explanation: This action is necessary to clarify the authority of the ward with respect to the rights, benefits, responsibilities, or privileges delineated in added Section 1151.351(b), Estates Code.

**HR 3437** was adopted by (Record 1785): 141 Yeas, 2 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Simmons; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Simpson; Tinderholt.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Moody.

**SB 1882 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative S. Thompson submitted the conference committee report on **SB 1882**.

Representative S. Thompson moved to adopt the conference committee report on **SB 1882**.

The motion to adopt the conference committee report on **SB 1882** prevailed by (Record 1786): 141 Yeas, 1 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Simmons; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Simpson.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Keough; Naishtat.

**STATEMENT OF VOTE**

When Record No. 1786 was taken, I was temporarily out of the house chamber. I would have voted yes.

Keough

(Speaker in the chair)

**HR 3525 - ADOPTED  
(by Miles)**

Representative Miles moved to suspend all necessary rules to take up and consider at this time **HR 3525**.

The motion prevailed.

The following resolution was laid before the house:

**HR 3525**, Honoring State Representative Sylvester Turner for his service.

**HR 3525** was read and was adopted.

On motion of Representative Craddick, the names of all the members of the house were added to **HR 3525** as signers thereof.

**ADDRESS BY REPRESENTATIVE S. TURNER  
ON A MATTER OF PERSONAL PRIVILEGE**

The chair recognized Representative S. Turner who addressed the house on a matter of personal privilege, speaking as follows:

I'm not going to be very long. This has already been an overwhelming moment, and I cannot thank each and every one of you enough. When I started 26 years ago, being in the legislature was not of my choosing. In fact, I did not want to come to the Texas House. It was not on my plan. It was an older woman in my district, Beulah Shepard, who, a senior—she had been a community activist. She was—I think had gone as far as the fourth grade but had a whole lot of common sense. She said to me, you will run for District 139. I told Ms. Shepard that is not something that I wanted, and she told me that I didn't know what I wanted, and she had already told people that I was running. She told me to do some research and find out about it, then get out there and start campaigning. It was the best advice I have ever taken, and I'm glad that she insisted.

I owe a number of people a great deal. My staff has just been terrific. One has been with me 25 years, who retired not too long ago. One has been with me, Pam, for about 23, 24 years now. My chief of staff, Alison, has been with me for about 17, 18 years. Murry has been with me now for six, seven more years. And so I've been blessed with a tremendous staff—people who have sacrificed, who have worked hard. And if what I've done has been of any service and positive, in large part, I owe it to my staff and then for the people in my district. They have been supportive, and they have stood with me through thick and thin, and I owe them.

When I started, my daughter was two and now she's 28. There have been many things that I've missed, but God has kept her in his arms. She has just blossomed, and I could not be more proud. I'm grateful for that and my family. There are a lot of memories that I shall take from this house. Tom Craddick speaks about some things and experiences that we had in South Africa. I think Tom will remember that when we got to South Africa, he was wondering why people were doing so many things for me and things just kept coming. I told Tom, now we are in a place where most of the people look like me, Tom, and you're in the minority. So you're now going to have to stick close to me. It was a great trip, and we stayed together morning, noon, and night. Those are the memories I will never forget—the relationships on this floor. Todd and I started together back in '89, and even though, like he said, he left and came back, our relationship even grew, communications kept going, and I count him as a very close friend. And there are many other good friendships and relationships on this floor, and I don't want to call people by name. Representative Giddings and I

have just established a magical relationship with our families being extremely close, and I'm very, very grateful. And the beauty of this house is that those relationships are not predicated on whether you're a D or an R. The relationships that have been established on this floor for 26 years are just based on the fact that we are people with a lot of common interests, a lot of family stories, basic core values that transcend ideology—just people. And this house, as Representative Riddle said the other day, has been like family, and it is like family to me.

Over the 26 years, I've worked under a lot of speakers—several speakers. My first four years in the Texas House I was bored, and I wanted to get the heck out of here. Things were moving too slowly for me, and I thought I could be spending my time doing other things in other places. It was just slow, and I just did not see the value. I stayed the course. Things changed under Speaker Laney. He offered me a committee chairmanship. I turned him down. He asked me, what do you want? I said, there are only three committees that I ever want to chair, only three—Appropriations, State Affairs, or Calendars. He said, you can't have any one of those three. Now can I offer you something else? I said, I'm not interested in anything else—only those three. And if you can't make me chair of one of those three if you would place me—if you don't question my work ethic and my ability to perform—just place me on all three. And that is exactly what he did. Under Speaker Craddick we had a similar conversation. He asked, what committee do you want to chair? I'm only interested in three—State Affairs, Appropriations, or Calendars. He kept me on all of the three. Under Speaker Straus, my same request. I never made it to be chair of either one of those three but vice-chair of State Affairs, vice-chair of Appropriations, and vice-chair of Calendars. God has blessed me. And there is no other house, I can imagine, that I would have loved to have been a part of other than this house. This is indeed the people's house, and I have loved every minute.

I don't seek to leave here because I just want to leave. The reality is, if it makes any sense, I still want to stay. But you have to recognize when your time is up, when you have to recognize when your season is about over. My coming here was not of my choosing, and my time to leave is not of my choosing. I firmly believe God orchestrates our path, and he controls our time. And when he says move, you move. When he says stay, you stay. And I believe—no, I know—even though I want to stay, I firmly believe in my heart, for me, he's telling me to leave.

I don't know what the future may bring. I can't tell you what's going to happen in November. I can tell you what I would like to happen—but irrespective of what takes place in November, I will be okay. I'm leaving the Texas House. I say to the people in my district, I have given it my best. I have fought hard for the things I believe. I have done my best to keep them at the front. I have not won every battle, every vote has not come my way, but I have given it all that I could. And I'm proud of that. There is no greater institution than this legislature. Representative Darby, you have honored me over and over again—referred to me as Jeremiah. I appreciate you. God made me a very passionate person. That's who I am. And I've been constantly reminded of how I got to this place. You have heard my story over and over again, and I've always tried to keep that at the front.

My pastor when I was young thought I was going to be a minister, and he groomed me for that after my daddy died. When I told him I was going to be a lawyer, he prayed for me. And then he came to me and said, do you still plan on being a lawyer? I said, that's what the Lord has put in my heart. He said, I'm going to pray for you again. And then he came back to me and he said—when I told him I was going to go to the legislature—he just said, the Lord must not be hearing my prayer. And then he said to me, if that is the course for you, then let it be your ministry. And for 26 years I have made this my ministry. And I've tried to hold true to it.

I love each and every one of you. Whether we have voted together or not is not important to me. Whether you're a D or an R is really irrelevant to me. The reality is we are Texans, and we are proud Texans. And I leave this house not as a D but as a proud Texan. Mr. Speaker, it's been my honor to serve you and to serve this house, but my time is up; my season is about here. And Mr. Speaker, in 24 hours, my desk will be clear. I thank you for giving me the opportunity to serve.

### **REMARKS ORDERED PRINTED**

Representative Oliveira moved to print remarks by Representative S. Turner.  
The motion prevailed.

### **BILLS AND RESOLUTIONS SIGNED BY THE SPEAKER**

Notice was given at this time that the speaker had signed bills and resolutions in the presence of the house (see the addendum to the daily journal, Signed by the Speaker, Senate List No. 33).

(Speaker pro tempore in the chair)

### **HB 2205 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Crownover submitted the following conference committee report on **HB 2205**:

Austin, Texas, May 29, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 2205** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Seliger  
Bettencourt  
Eltime  
L. Taylor

On the part of the senate

Crownover  
Aycock  
Huberty  
VanDeaver  
Galindo

On the part of the house

**HB 2205**, A bill to be entitled An Act relating to the State Board for Educator Certification, educator preparation programs, educator certification, issuance of certain teaching permits, and certain procedures for investigating educator misconduct.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 21.033(a), Education Code, is amended to read as follows:

(a) The State Board for Educator Certification is composed of 15 ~~[14]~~ members. The commissioner of education shall appoint an employee of the agency to represent the commissioner as a nonvoting member. The commissioner of higher education shall appoint an employee of the Texas Higher Education Coordinating Board to represent the commissioner as a nonvoting member. The governor shall appoint two nonvoting members. The governor shall appoint a dean of a college of education in this state as one of the [a] nonvoting members [member]. The governor shall appoint a person who has experience working for and knowledge of an alternative educator preparation program and who is not affiliated with an institution of higher education as one of the nonvoting members. The remaining 11 members are appointed by the governor with the advice and consent of the senate, as follows:

(1) four members must be teachers employed in public schools;

(2) two members must be public school administrators;

(3) one member must be a public school counselor; and

(4) four members must be citizens, three of whom are not and have not, in the five years preceding appointment, been employed by a public school district or by an educator preparation program in an institution of higher education and one of whom is not and has not been employed by a public school district or by an educator preparation program in an institution of higher education.

SECTION 2. Section 21.035, Education Code, is amended to read as follows:

Sec. 21.035. DELEGATION AUTHORITY; ADMINISTRATION BY AGENCY. (a) The board is permitted to make a written delegation of authority to the commissioner or the agency to informally dispose of a contested case involving educator certification.

(b) The agency ~~[Texas Education Agency]~~ shall provide the board's administrative functions and services.

SECTION 3. Section 21.044(b), Education Code, is amended to read as follows:

(b) Any minimum academic qualifications for a certificate specified under Subsection (a) that require a person to possess a bachelor's degree must also require that the person receive, as part of the training required to obtain that certificate ~~[curriculum for that degree]~~, instruction in detection and education of students with dyslexia. ~~[This subsection does not apply to a person who obtains a certificate through an alternative certification program adopted under Section 21.049.]~~

SECTION 4. Section 21.0441, Education Code, is amended by amending Subsection (a) and adding Subsections (c) and (d) to read as follows:

(a) Rules of the board proposed under this subchapter must provide that a person, other than a person seeking career and technology education certification, is not eligible for admission to an educator preparation program, including an alternative educator preparation program, unless the person:

(1) except as provided by Subsection (b), satisfies the following minimum grade point average requirements [~~prescribed by the board, not to exceed the following~~]:

(A) an overall grade point average of at least 2.50 [~~2.75~~] on a four-point scale or the equivalent on any course work previously attempted at a public or private institution of higher education; or

(B) a grade point average of at least 2.50 [~~2.75~~] on a four-point scale or the equivalent for the last 60 semester credit hours attempted at a public or private institution of higher education; and

(2) if the person is seeking initial certification:

(A) has successfully completed at least:

(i) 15 semester credit hours in the subject-specific content area in which the person is seeking certification, if the person is seeking certification to teach mathematics or science at or above grade level seven; or

(ii) 12 semester credit hours in the subject-specific content area in which the person is seeking certification, if the person is not seeking certification to teach mathematics or science at or above grade level seven; or

(B) has achieved a satisfactory level of performance on a content certification examination, which may be a content certification examination administered by a vendor approved by the commissioner for purposes of administering such an examination for the year for which the person is applying for admission to the program.

(c) The overall grade point average of each incoming class admitted by an educator preparation program, including an alternative educator preparation program, may not be less than 3.00 on a four-point scale or the equivalent or a higher overall grade point average prescribed by the board. In computing the overall grade point average of an incoming class for purposes of this subsection, a program may:

(1) include the grade point average of each person in the incoming class based on all course work previously attempted by the person at a public or private institution of higher education; or

(2) include the grade point average of each person in the incoming class based only on the last 60 semester credit hours attempted by the person at a public or private institution of higher education.

(d) A person seeking career and technology education certification is not included in determining the overall grade point average of an incoming class under Subsection (c).

SECTION 5. Subchapter B, Chapter 21, Education Code, is amended by adding Section 21.0443 to read as follows:



Sec. 21.0443. EDUCATOR PREPARATION PROGRAM APPROVAL AND RENEWAL. (a) The board shall propose rules to establish standards to govern the approval or renewal of approval of:

- (1) educator preparation programs; and
- (2) certification fields authorized to be offered by an educator preparation program.

(b) To be eligible for approval or renewal of approval, an educator preparation program must adequately prepare candidates for educator certification and meet the standards and requirements of the board.

(c) The board shall require that each educator preparation program be reviewed for renewal of approval at least every five years. The board shall adopt an evaluation process to be used in reviewing an educator preparation program for renewal of approval.

SECTION 6. Section 21.045, Education Code, is amended to read as follows:

Sec. 21.045. ACCOUNTABILITY SYSTEM FOR EDUCATOR PREPARATION PROGRAMS. (a) The board shall propose rules necessary to establish ~~[establishing]~~ standards to govern the ~~[approval and]~~ continuing accountability of all educator preparation programs based on the following information that is disaggregated with respect to race, sex, and ethnicity:

(1) results of the certification examinations prescribed under Section 21.048(a);

(2) performance based on the appraisal system for beginning teachers adopted by the board;

(3) achievement, including improvement in achievement, of students taught by beginning teachers for the first three years following certification, to the extent practicable; ~~and~~

(4) compliance with board requirements regarding the frequency, duration, and quality of structural guidance and ongoing support provided by field supervisors to candidates completing student teaching, clinical teaching, or an internship; and

(5) results from a teacher satisfaction survey, developed by the board with stakeholder input, of new teachers performed at the end of the teacher's first year of teaching ~~[beginning teachers during their first year in the classroom].~~

(b) Each educator preparation program shall submit data elements as required by the board for an annual performance report to ensure access and equity. At a minimum, the annual report must contain:

(1) the performance data from Subsection (a), other than the data required for purposes of Subsection (a)(3);

(2) data related to the program's compliance with requirements for field supervision of candidates during their clinical teaching and internship experiences;

(3) ~~[, and]~~ the following information, disaggregated by race, sex, and ethnicity:

(A) ~~[(1)]~~ the number of candidates who apply;

(B) ~~[(2)]~~ the number of candidates admitted;

- (C) ~~[(3)]~~ the number of candidates retained;
- (D) ~~[(4)]~~ the number of candidates completing the program;
- (E) ~~[(5)]~~ the number of candidates employed as beginning teachers under standard teaching certificates by not later than the first anniversary of ~~in the profession after~~ completing the program;
- (F) the amount of time required by candidates employed as beginning teachers under probationary teaching certificates to be issued standard teaching certificates;
- (G) ~~[(6)]~~ the number of candidates retained in the profession; and
- (H) ~~[(7)]~~ any other information required by federal law;
- (4) the ratio of field supervisors to candidates completing student teaching, clinical teaching, or an internship; and
- (5) any other information necessary to enable the board to assess the effectiveness of the program on the basis of teacher retention and success criteria adopted by the board.

(c) The board shall propose rules necessary to establish ~~[establishing]~~ performance standards for the Accountability System for Educator Preparation for accrediting educator preparation programs. At a minimum, performance standards must be based on Subsection (a). ~~[The board may propose rules establishing minimum standards for approval or renewal of approval of:~~

- ~~[(1) educator preparation programs; or~~
- ~~[(2) certification fields authorized to be offered by an educator preparation program.]~~

SECTION 7. Sections 21.0451(a), (c), and (d), Education Code, are amended to read as follows:

(a) The board shall propose rules necessary for the sanction of educator preparation programs that do not meet accountability standards or comply with state law or rules and shall at least annually review the accreditation status of each educator preparation program. The rules:

(1) shall provide for the assignment of the following accreditation statuses:

- (A) not rated;
- (B) accredited;
- (C) accredited-warned;
- (D) accredited-probation; and
- (E) not accredited-revoked;

(2) may provide for the agency to take any necessary action, including one or more of the following actions:

- (A) requiring the program to obtain technical assistance approved by the agency or board;
- (B) requiring the program to obtain professional services under contract with another person;
- (C) appointing a monitor to participate in and report to the board on the activities of the program; and

(D) if a program has been rated as accredited-probation under the Accountability System for Educator Preparation for a period of at least one year, revoking the approval of the program and ordering the program to be closed, provided that the board or agency has provided ~~[must provide]~~ the opportunity for a contested case hearing [before the effective date of the closure]; ~~[and]~~

(3) shall provide for the agency to revoke the approval of the program and order the program to be closed if the program has been rated as accredited-probation under the Accountability System for Educator Preparation for three consecutive years, provided that the board or agency has provided ~~[must provide]~~ the opportunity for a contested case hearing; and

(4) shall provide the board procedure for changing the accreditation status of a program that:

(A) does not meet the accreditation standards established under Section 21.045(a); or

(B) violates a board or agency regulation ~~[before the effective date of the closure]~~.

(c) A ~~[permissive]~~ revocation ~~[under Subsection (a)(2) or required revocation under Subsection (a)(3)]~~ must be effective for a period of at least two years. After two years, the program may seek renewed approval to prepare educators for state certification.

(d) The costs of technical assistance required under Subsection (a)(2)(A) or the costs associated with the appointment of a monitor under Subsection (a)(2)(C) shall be paid by the ~~[sponsor of the]~~ educator preparation program.

SECTION 8. Sections 21.0452(b), (c), and (d), Education Code, are amended to read as follows:

(b) The board shall make available at least the following information regarding each educator preparation program:

(1) the information specified in Sections 21.045(a) and (b);

(2) in addition to any other appropriate information indicating the quality of persons admitted to the program, the average academic qualifications possessed by persons admitted to the program, including:

(A) average overall grade point average and average grade point average in specific subject areas; and

(B) average scores on the Scholastic Assessment Test (SAT), the American College Test (ACT), or the Graduate Record Examination (GRE), as applicable;

(3) the degree to which persons who complete the program are successful in obtaining teaching positions;

(4) the extent to which the program prepares teachers, including general education teachers and special education teachers, to effectively teach:

(A) students with disabilities; and

(B) students of limited English proficiency, as defined by Section 29.052;

(5) the activities offered by the program that are designed to prepare teachers to:

(A) integrate technology effectively into curricula and instruction, including activities consistent with the principles of universal design for learning; and

(B) use technology effectively to collect, manage, and analyze data to improve teaching and learning for the purpose of increasing student academic achievement;

(6) for each semester, the average ratio of field supervisors to candidates completing student teaching, clinical teaching, or an internship in an educator preparation program;

(7) the percentage of teachers employed under a standard teaching certificate within one year of completing the program;

(8) the perseverance of beginning teachers in the profession, as determined on the basis of the number of beginning teachers who maintain status as active contributing members in the Teacher Retirement System of Texas for at least three years after certification in comparison to similar programs;

(9) ~~(7)~~ the results of exit surveys given to program participants on completion of the program that involve evaluation of the program's effectiveness in preparing participants to succeed in the classroom; ~~and~~

(10) ~~(8)~~ the results of surveys given to school principals that involve evaluation of the program's effectiveness in preparing participants to succeed in the classroom, based on experience with employed program participants; and

(11) the results of teacher satisfaction surveys developed under Section 21.045 and given to program participants at the end of the first year of teaching.

(c) For purposes of Subsection (b)(9) ~~(b)(7)~~, the board shall require an educator preparation program to distribute an exit survey that a program participant must complete before the participant is eligible to receive a certificate under this subchapter.

(d) For purposes of Subsections (b)(9) ~~(b)(7)~~ and (10) ~~(8)~~, the board shall develop surveys for distribution to program participants and school principals.

SECTION 9. Subchapter B, Chapter 21, Education Code, is amended by adding Sections 21.0454 and 21.0455 to read as follows:

Sec. 21.0454. RISK FACTORS FOR EDUCATOR PREPARATION PROGRAMS; RISK-ASSESSMENT MODEL. (a) The board shall propose rules necessary to develop a set of risk factors to use in assessing the overall risk level of each educator preparation program. The set of risk factors must include:

(1) a history of the program's compliance with state law and board rules, standards, and procedures, with consideration given to:

(A) the seriousness of any violation of a rule, standard or procedure;

(B) whether the violation resulted in an action being taken against the program;

(C) whether the violation was promptly remedied by the program;

(D) the number of alleged violations; and

(E) any other matter considered to be appropriate in evaluating the program's compliance history; and

(2) whether the program meets the accountability standards under Section 21.045.

(b) The set of risk factors developed by the board may include whether an educator preparation program is accredited by other organizations.

(c) The board shall use the set of risk factors to guide the agency in conducting monitoring, inspections, and compliance audits of educator preparation programs, including evaluations associated with renewals under Section 21.0443.

Sec. 21.0455. COMPLAINTS REGARDING EDUCATOR PREPARATION PROGRAMS. (a) The board shall propose rules necessary to establish a process for a candidate for teacher certification to direct a complaint against an educator preparation program to the agency.

(b) The board by rule shall require an educator preparation program to notify candidates for teacher certification of the complaint process adopted under Subsection (a). The notice must include the name, mailing address, telephone number, and Internet website address of the agency for the purpose of directing complaints to the agency. The educator preparation program shall provide for that notification:

(1) on the Internet website of the educator preparation program, if the program maintains a website; and

(2) on a sign prominently displayed in program facilities.

(c) The board shall post the complaint process adopted under Subsection (a) on the agency's Internet website.

(d) The board has no authority to arbitrate or resolve contractual or commercial issues between an educator preparation program and a candidate for teacher certification.

SECTION 10. Section 21.048(a), Education Code, as amended by Chapters 1282 (HB 2012) and 1292 (HB 2318), Acts of the 83rd Legislature, Regular Session, 2013, is reenacted and amended to read as follows:

(a) The board shall propose rules prescribing comprehensive examinations for each class of certificate issued by the board. The commissioner [board] shall determine the satisfactory level of performance required for each certification examination. For the issuance of a generalist certificate, the commissioner [board] shall require a satisfactory level of examination performance in each core subject covered by the examination.

SECTION 11. Section 21.048, Education Code, is amended by amending Subsections (a-1) and (c-1) and adding Subsection (a-2) to read as follows:

(a-1) The board may not require that more than 45 days elapse before a person may retake an examination. A person may not retake an examination more than four times, unless the board waives the limitation for good cause as prescribed by the board.

(a-2) For purposes of the limitation imposed by Subsection (a-1) on the number of administrations of an examination, a person who initially took an examination before September 1, 2015, may retake the examination up to four

times after that date, regardless of the number of times that the person attempted to perform satisfactorily on the examination before that date. This subsection expires September 1, 2018.

(c-1) The results of an examination administered under this section are confidential and are not subject to disclosure under Chapter 552, Government Code, unless[:

~~[(1)]~~ the disclosure is regarding notification to a parent of the assignment of an uncertified teacher to a classroom as required by Section 21.057[~~;~~ ~~or~~

~~[(2) the educator has failed the examination more than five times].~~

SECTION 12. Section 21.055, Education Code, is amended by amending Subsection (b) and adding Subsection (d-1) to read as follows:

(b) To be eligible for a school district teaching permit under this section, a person must hold a baccalaureate degree. ~~[This subsection does not apply to a person who will teach only career and technology education.]~~

(d-1) Subsections (b), (c), and (d) do not apply to a person who will teach only noncore academic career and technical education courses. A school district board of trustees may issue a school district teaching permit to a person who will teach courses only in career and technical education based on qualifications certified by the superintendent of the school district. Qualifications must include demonstrated subject matter expertise such as professional work experience, formal training and education, holding an active professional relevant industry license, certification, or registration, or any combination of work experience, training and education, or industry license, certification, or registration, in the subject matter to be taught. The superintendent of the school district shall certify to the board of trustees that a new employee has undergone a criminal background check and is capable of proper classroom management. A school district shall require a new employee to obtain at least 20 hours of classroom management training and to comply with continuing education requirements as determined by the board of trustees. A person may teach a career and technical education course immediately upon issuance of a permit under this subsection. Promptly after employing a person who qualifies under this subsection, the board of trustees shall send to the commissioner a written statement identifying the person, the course the person will teach, and the person's qualifications to teach the course.

SECTION 13. Subchapter B, Chapter 21, Education Code, is amended by adding Section 21.062 to read as follows:

Sec. 21.062. ISSUANCE OF SUBPOENAS. (a) During an investigation by the commissioner of an educator for an alleged incident of misconduct, the commissioner may issue a subpoena to compel the production, for inspection or copying, of relevant evidence that is located in this state.

(b) A subpoena may be served personally or by certified mail.

(c) If a person fails to comply with a subpoena, the commissioner, acting through the attorney general, may file suit to enforce the subpoena in a district court in this state. On finding that good cause exists for issuing the subpoena, the court shall order the person to comply with the subpoena. The court may punish a person who fails to obey the court order.

(d) All information and materials subpoenaed or compiled in connection with an investigation described by Subsection (a) are confidential and not subject to disclosure under Chapter 552, Government Code.

(e) Except as provided by a protective order, and notwithstanding Subsection (d), all information and materials subpoenaed or compiled in connection with an investigation described by Subsection (a) may be used in a disciplinary proceeding against an educator based on an alleged incident of misconduct.

SECTION 14. As soon as practicable after the effective date of this Act, the governor shall appoint as a nonvoting member of the State Board for Educator Certification a person who has experience working for and knowledge of an alternative educator preparation program and who is not affiliated with an institution of higher education, as required by Section 21.033(a), Education Code, as amended by this Act.

SECTION 15. Not later than January 1, 2016, the State Board for Educator Certification shall develop criteria for evaluation of educator preparation programs based on teacher retention and success as required by Section 21.045(b)(5), Education Code, as added by this Act. The State Board for Educator Certification shall consult with the Texas Higher Education Coordinating Board and educator preparation programs in developing the criteria. The Texas Higher Education Coordinating Board shall participate and provide recommendations regarding the criteria.

SECTION 16. This Act takes effect September 1, 2015.

Representative Crownover moved to adopt the conference committee report on **HB 2205**.

The motion to adopt the conference committee report on **HB 2205** prevailed by (Record 1787): 125 Yeas, 16 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Elkins; Faircloth; Fallon; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; Guerra; Harless; Hernandez; Howard; Huberty; Hughes; Isaac; Israel; Johnson; Kacal; Keffer; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Romero; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets;

Sheffield; Simmons; Smith; Smithee; Spitzer; Springer; Stephenson; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; White, J.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Bernal; Coleman; Collier; Dutton; Farias; González; Gutierrez; Herrero; Hunter; Martinez Fischer; Nevárez; Rodriguez, J.; Rose; Simpson; Stickland; Walle.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Guillen; Keough; White, M.

### STATEMENTS OF VOTE

When Record No. 1787 was taken, I was shown voting yes. I intended to vote no.

Allen

When Record No. 1787 was taken, I was shown voting yes. I intended to vote no.

Anchia

When Record No. 1787 was taken, I was shown voting yes. I intended to vote no.

Israel

When Record No. 1787 was taken, I was shown voting yes. I intended to vote no.

Miles

When Record No. 1787 was taken, I was in the house but away from my desk. I would have voted yes.

M. White

### HB 4175 - CONFERENCE COMMITTEE REPORT ADOPTED

Representative S. Thompson submitted the following conference committee report on **HB 4175**:

Austin, Texas, May 29, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 4175** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

L. Taylor

S. Thompson



Campbell  
Creighton  
Garcia  
Kolkhorst  
On the part of the senate

Johnson  
Keffer  
Metcalf  
Walle  
On the part of the house

**HB 4175**, A bill to be entitled An Act relating to eminent domain powers of certain conservation and reclamation districts.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. CERTAIN MUNICIPAL UTILITY DISTRICTS. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapters 7937, 7939, 7940, 7941, 7942, 7943, 7944, 7946, 7947, 7948, and 7949 to read as follows:

CHAPTER 7937. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT

NO. 5 OF HARRIS COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7937.001. DEFINITION. In this chapter, "district" means the Harris County Municipal Utility District No. 5 of Harris County.

SUBCHAPTER B. POWERS AND DUTIES

Sec. 7937.051. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

CHAPTER 7939. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT

NO. 61

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7939.001. DEFINITION. In this chapter, "district" means the Harris County Municipal Utility District No. 61.

SUBCHAPTER B. POWERS AND DUTIES

Sec. 7939.051. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

CHAPTER 7940. HARRIS COUNTY MUNICIPAL UTILITY DISTRICTNO. 150SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7940.001. DEFINITION. In this chapter, "district" means the Harris County Municipal Utility District No. 150.

SUBCHAPTER B. POWERS AND DUTIES

Sec. 7940.051. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

CHAPTER 7941. HARRIS COUNTY MUNICIPAL UTILITY DISTRICTNO. 211 OF HARRIS COUNTYSUBCHAPTER A. GENERAL PROVISIONS

Sec. 7941.001. DEFINITION. In this chapter, "district" means the Harris County Municipal Utility District No. 211 of Harris County.

SUBCHAPTER B. POWERS AND DUTIES

Sec. 7941.051. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

CHAPTER 7942. HARRIS COUNTY MUNICIPAL UTILITY DISTRICTNO. 483SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7942.001. DEFINITION. In this chapter, "district" means the Harris County Municipal Utility District No. 483.

SUBCHAPTER B. POWERS AND DUTIES

Sec. 7942.051. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

CHAPTER 7943. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT

NO. 484

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7943.001. DEFINITION. In this chapter, "district" means the Harris County Municipal Utility District No. 484.

SUBCHAPTER B. POWERS AND DUTIES

Sec. 7943.051. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

CHAPTER 7944. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT

NO. 485

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7944.001. DEFINITION. In this chapter, "district" means the Harris County Municipal Utility District No. 485.

SUBCHAPTER B. POWERS AND DUTIES

Sec. 7944.051. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

CHAPTER 7946. LIBERTY COUNTY MUNICIPAL UTILITY DISTRICT

NO. 2

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7946.001. DEFINITION. In this chapter, "district" means the Liberty County Municipal Utility District No. 2.

SUBCHAPTER B. POWERS AND DUTIES

Sec. 7946.051. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

CHAPTER 7947. LIBERTY COUNTY MUNICIPAL UTILITY DISTRICTNO. 3SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7947.001. DEFINITION. In this chapter, "district" means the Liberty County Municipal Utility District No. 3.

SUBCHAPTER B. POWERS AND DUTIES

Sec. 7947.051. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

CHAPTER 7948. POST WOOD MUNICIPAL UTILITY DISTRICTSUBCHAPTER A. GENERAL PROVISIONS

Sec. 7948.001. DEFINITION. In this chapter, "district" means the Post Wood Municipal Utility District.

SUBCHAPTER B. POWERS AND DUTIES

Sec. 7948.051. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

CHAPTER 7949. WEST PARK MUNICIPAL UTILITY DISTRICTSUBCHAPTER A. GENERAL PROVISIONS

Sec. 7949.001. DEFINITION. In this chapter, "district" means the West Park Municipal Utility District.

### SUBCHAPTER B. POWERS AND DUTIES

Sec. 7949.051. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

SECTION 2. EAST MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 8. Subchapter C, Chapter 8112, Special District Local Laws Code, is amended by adding Section 8112.103 to read as follows:

Sec. 8112.103. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

SECTION 3. EAST MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 9. Subchapter C, Chapter 8113, Special District Local Laws Code, is amended by adding Section 8113.103 to read as follows:

Sec. 8113.103. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

SECTION 4. EAST MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 10. Subchapter C, Chapter 8114, Special District Local Laws Code, is amended by adding Section 8114.103 to read as follows:

Sec. 8114.103. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

SECTION 5. EAST MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 11. Subchapter C, Chapter 8115, Special District Local Laws Code, is amended by adding Section 8115.103 to read as follows:

Sec. 8115.103. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

SECTION 6. EAST MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 12. Subchapter C, Chapter 8116, Special District Local Laws Code, is amended by adding Section 8116.103 to read as follows:

Sec. 8116.103. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

SECTION 7. EAST MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 13. Subchapter C, Chapter 8117, Special District Local Laws Code, is amended by adding Section 8117.103 to read as follows:

Sec. 8117.103. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

SECTION 8. EAST MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 14. Subchapter C, Chapter 8118, Special District Local Laws Code, is amended by adding Section 8118.103 to read as follows:

Sec. 8118.103. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

SECTION 9. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 100. Section 8119.103, Special District Local Laws Code, is amended to read as follows:

Sec. 8119.103. LIMITATION ON USE OF EMINENT DOMAIN. (a) The district may not exercise the power of eminent domain outside the district boundaries to acquire a site for a water treatment plant, water storage facility, wastewater treatment plant, or wastewater disposal facility.

(b) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(c) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (b).

SECTION 10. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 101. Section 8120.103, Special District Local Laws Code, is amended to read as follows:

Sec. 8120.103. LIMITATION ON USE OF EMINENT DOMAIN. (a) The district may not exercise the power of eminent domain outside the district boundaries to acquire a site for a water treatment plant, water storage facility, wastewater treatment plant, or wastewater disposal facility.

(b) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(c) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (b).

SECTION 11. ENCANTO REAL UTILITY DISTRICT. Subchapter C, Chapter 8161, Special District Local Laws Code, is amended by adding Section 8161.102 to read as follows:

Sec. 8161.102. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

SECTION 12. LIBERTY COUNTY MUNICIPAL UTILITY DISTRICT NO. 5. Subchapter C, Chapter 8185, Special District Local Laws Code, is amended by adding Section 8185.104 to read as follows:

Sec. 8185.104. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

SECTION 13. EAST MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 3. Subchapter C, Chapter 8186, Special District Local Laws Code, is amended by adding Section 8186.103 to read as follows:

Sec. 8186.103. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).



SECTION 14. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 233 OF HARRIS COUNTY, TEXAS. Subchapter C, Chapter 8192, Special District Local Laws Code, is amended by adding Section 8192.103 to read as follows:

Sec. 8192.103. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

SECTION 15. CNP UTILITY DISTRICT. Section 8270.153, Special District Local Laws Code, is amended to read as follows:

Sec. 8270.153. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain only:

- (1) in a county in which the district is located; and
- (2) when necessary to carry out the purposes for which the district was created.

(b) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(c) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (b).

SECTION 16. HARRIS COUNTY UTILITY DISTRICT NO. 16. Subchapter C, Chapter 8277, Special District Local Laws Code, is amended by adding Section 8277.102 to read as follows:

Sec. 8277.102. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

SECTION 17. EAST MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 4. Subchapter C, Chapter 8308, Special District Local Laws Code, is amended by adding Section 8308.104 to read as follows:

Sec. 8308.104. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

SECTION 18. HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 119. Subtitle I, Title 6, Special District Local Laws Code, is amended by adding Chapter 9066 to read as follows:

CHAPTER 9066. HARRIS COUNTY WATER CONTROL AND  
IMPROVEMENT DISTRICT NO. 119

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 9066.001. DEFINITION. In this chapter, "district" means the Harris County Water Control and Improvement District No. 119.

SUBCHAPTER B. POWERS AND DUTIES

Sec. 9066.051. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain as provided by this section only if the district submits a letter to the comptroller not later than December 31, 2015, in accordance with the requirements of Section 2206.101(b), Government Code, other than the requirement that the letter be submitted by the date specified by that section.

(b) Notwithstanding the expiration of the district's authority to exercise the power of eminent domain under Section 2206.101(c), Government Code, the district may exercise the power of eminent domain as provided by law applicable to the district on or after the 90th day after the date the district submits a letter in accordance with Subsection (a).

SECTION 19. EFFECTIVE DATE. As provided by Section 17(c), Article I, Texas Constitution, this Act takes effect only on a two-thirds vote of all the members elected to each house. If this Act receives the vote necessary to take effect, this Act takes effect September 1, 2015.

Representative S. Thompson moved to adopt the conference committee report on **HB 4175**.

The motion to adopt the conference committee report on **HB 4175** prevailed by (Record 1788): 126 Yeas, 14 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Craddick; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman;

Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Kuempel; Landgraf; Larson; Laubenberg; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Schofield; Schubert; Sheets; Sheffield; Simmons; Smith; Smithee; Spitzer; Springer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; Workman; Wray; Wu; Zerwas.

Nays — Bell; Cook; Fallon; Krause; Leach; Phillips; Rinaldi; Sanford; Shaheen; Simpson; Stickland; Tinderholt; Turner, E.S.; Zedler.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Crownover; Dukes; Hernandez; Schaefer; White, M.

#### STATEMENTS OF VOTE

When Record No. 1788 was taken, I was shown voting yes. I intended to vote no.

Goldman

When Record No. 1788 was taken, I was shown voting yes. I intended to vote no.

Hunter

When Record No. 1788 was taken, I was shown voting yes. I intended to vote no.

J. White

When Record No. 1788 was taken, I was in the house but away from my desk. I would have voted no.

M. White

#### SB 551 - CONFERENCE COMMITTEE REPORT ADOPTED

Representative Keffer submitted the conference committee report on **SB 551**.

Representative Keffer moved to adopt the conference committee report on **SB 551**.

The motion to adopt the conference committee report on **SB 551** prevailed by (Record 1789): 142 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel;

Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; Workman; Wray; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Hernandez; White, M.

#### STATEMENT OF VOTE

When Record No. 1789 was taken, I was in the house but away from my desk. I would have voted no.

M. White

#### SB 1338 - CONFERENCE COMMITTEE REPORT ADOPTED

Representative Springer submitted the conference committee report on **SB 1338**.

Representative Springer moved to adopt the conference committee report on **SB 1338**.

The motion to adopt the conference committee report on **SB 1338** prevailed by (Record 1790): 142 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Blanco; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield;

Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Bernal; Bohac; Dukes.

### **HB 3615 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Isaac submitted the following conference committee report on **HB 3615**:

Austin, Texas, May 30, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 3615** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Zaffirini  
Birdwell  
Campbell  
Hinojosa  
Seliger

On the part of the senate

Isaac  
Cyrier  
Howard  
E. Rodriguez  
Springer

On the part of the house

**HB 3615**, A bill to be entitled An Act relating to the use of hotel occupancy tax revenues in certain municipalities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 351.101(a), Tax Code, as amended by Chapters 541 (**SB 551**) and 546 (**SB 585**), Acts of the 83rd Legislature, Regular Session, 2013, is reenacted and amended to read as follows:

(a) Revenue from the municipal hotel occupancy tax may be used only to promote tourism and the convention and hotel industry, and that use is limited to the following:

(1) the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both;

(2) the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;

(3) advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;

(4) the encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms;

(5) historical restoration and preservation projects or activities or advertising and conducting solicitations and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums:

(A) at or in the immediate vicinity of convention center facilities or visitor information centers; or

(B) located elsewhere in the municipality or its vicinity that would be frequented by tourists and convention delegates;

(6) for a municipality located in a county with a population of one million or less, expenses, including promotion expenses, directly related to a sporting event in which the majority of participants are tourists who substantially increase economic activity at hotels and motels within the municipality or its vicinity;

(7) subject to Section 351.1076, the promotion of tourism by the enhancement and upgrading of existing sports facilities or fields, including facilities or fields for baseball, softball, soccer, ~~and~~ flag football, and rodeos, if:

(A) the municipality owns the facilities or fields;

(B) the municipality:

(i) has a population of 80,000 or more and is located in a county that has a population of 350,000 or less;

(ii) has a population of at least 75,000 but not more than 95,000 and is located in a county that has a population of less than 200,000 but more than 160,000;

(iii) has a population of at least 36,000 but not more than 39,000 and is located in a county that has a population of 100,000 or less that is not adjacent to a county with a population of more than two million;

(iv) has a population of at least 13,000 but less than 39,000 and is located in a county that has a population of at least 200,000;

(v) has a population of at least 70,000 but less than 90,000 and no part of which is located in a county with a population greater than 150,000;

(vi) is located in a county that:

(a) is adjacent to the Texas-Mexico border;

(b) has a population of at least 500,000; and

(c) does not have a municipality with a population greater than 500,000;

(vii) has a population of at least 25,000 but not more than 26,000 and is located in a county that has a population of 90,000 or less; ~~or~~

(viii) has a population of at least 7,500 and is located in a county that borders the Pecos River and that has a population of not more than 15,000;

(ix) ~~(viii)~~ is located in a county that has a population of not more than 300,000 and in which a component university of the University of Houston System is located; or

(x) has a population of at least 40,000 and the San Marcos River flows through the municipality; and

(C) the sports facilities and fields have been used, in the preceding calendar year, a combined total of more than 10 times for district, state, regional, or national sports tournaments;

(8) for a municipality with a population of at least 70,000 but less than 90,000, no part of which is located in a county with a population greater than 150,000, the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of a coliseum or multiuse facility;

(9) signage directing the public to sights and attractions that are visited frequently by hotel guests in the municipality;

(10) the construction of a recreational venue in the immediate vicinity of area hotels, if:

(A) the municipality:

(i) is a general-law municipality;

(ii) has a population of not more than 900; and

(iii) does not impose an ad valorem tax;

(B) not more than \$100,000 of municipal hotel occupancy tax revenue is used for the construction of the recreational venue;

(C) a majority of the hotels in the municipality request the municipality to construct the recreational venue;

(D) the recreational venue will be used primarily by hotel guests; and

(E) the municipality will pay for maintenance of the recreational venue from the municipality's general fund;

(11) the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of a coliseum or multiuse facility, if the municipality:

(A) has a population of at least 90,000 but less than 120,000; and

(B) is located in two counties, at least one of which contains the headwaters of the San Gabriel River; and

(12) for a municipality with a population of more than 175,000 but less than 225,000 that is located in two counties, each of which has a population of less than 200,000, the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of a coliseum or multiuse facility and related infrastructure or a venue, as defined by Section 334.001(4), Local Government Code, that is related to the promotion of tourism.

SECTION 2. Section 351.101, Tax Code, is amended by adding Subsection (k) to read as follows:

(k) In addition to other authorized uses, a municipality that is intersected by both State Highways 71 and 95 may use revenue from the municipal hotel occupancy tax for the promotion of tourism by the enhancement and upgrading of an existing sports facility or field as specified by Subsection (a)(7), provided that the requirements of Subsections (a)(7)(A) and (C) are met.

SECTION 3. To the extent of any conflict, this Act prevails over another Act of the 84th Legislature, Regular Session, 2015, relating to nonsubstantive additions to and corrections in enacted codes.

SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

Representative Isaac moved to adopt the conference committee report on **HB 3615**.

The motion to adopt the conference committee report on **HB 3615** prevailed by (Record 1791): 118 Yeas, 20 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Burkett; Burns; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Paul; Peña; Phelan; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Schubert; Sheets; Sheffield; Smith; Smithee; Springer; Stephenson; Thompson, S.; Turner, C.; Turner, S.; VanDeaver; Villalba; Vo; Walle; Workman; Wray; Wu; Zerwas.

Nays — Anderson, R.; Bonnen, G.; Burrows; Goldman; Krause; Phillips; Rinaldi; Sanford; Schofield; Shaheen; Simmons; Simpson; Spitzer; Stickland; Thompson, E.; Tinderholt; Turner, E.S.; White, J.; White, M.; Zedler.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Darby; Dukes; Hughes; Keough; Miller, R.; Parker; Schaefer.

### STATEMENTS OF VOTE

When Record No. 1791 was taken, I was shown voting yes. I intended to vote no.

Cook

When Record No. 1791 was taken, I was shown voting yes. I intended to vote no.

Fallon

When Record No. 1791 was taken, I was in the house but away from my desk. I would have voted no.

Hughes



When Record No. 1791 was taken, I was temporarily out of the house chamber. I would have voted no.

Keough

When Record No. 1791 was taken, my vote failed to register. I would have voted no.

Parker

When Record No. 1791 was taken, I was in the house but away from my desk. I would have voted no.

Schaefer

When Record No. 1791 was taken, I was shown voting yes. I intended to vote no.

Springer

When Record No. 1791 was taken, I was shown voting yes. I intended to vote no.

Wray

# **HB 1305 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative G. Bonnen submitted the following conference committee report on **HB 1305**:

Austin, Texas, May 29, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 1305** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

L. Taylor  
Bettencourt  
Campbell  
Lucio  
V. Taylor

On the part of the senate

G. Bonnen  
VanDeaver  
Aycock  
Howard  
Paul

On the part of the house

**HB 1305**, A bill to be entitled An Act relating to a program to provide a free or reduced-price breakfast to eligible students attending a public school and the method of determining the number of educationally disadvantaged students.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 33.901, Education Code, is amended by amending Subsections (a) and (b) and adding Subsection (a-1) to read as follows:

(a) If at least 10 percent of the students enrolled in one or more schools in a school district or enrolled in an open-enrollment charter school are eligible for free or reduced-price breakfasts under the national school breakfast program provided for by the Child Nutrition Act of 1966 (42 U.S.C. Section 1773), the board of trustees of the school district or the governing body of the open-enrollment charter school shall either:

(1) participate in the national program and make the benefits of the national program available to all eligible students in the schools or school; or

(2) develop and implement a locally funded program to provide free meals, including breakfast and lunch, to each student eligible for free meals under federal law and reduced-price meals, including breakfast and lunch, to each student eligible for reduced-price meals under federal law, provided that the reduced price may not exceed the maximum allowable rate under federal law.

(a-1) A school district is permitted under Subsection (a) to participate in the national program at one or more campuses in the district and provide a locally funded program at one or more other campuses in the district.

(b) A school district campus or an open-enrollment charter school participating in the national school breakfast program provided by the Child Nutrition Act of 1966 (42 U.S.C. Section 1773) or providing a locally funded program in which 80 percent or more of the students qualify under the national program for a free or reduced-price breakfast shall offer a free breakfast to each student.

SECTION 2. Section 42.152, Education Code, is amended by amending Subsection (b) and adding Subsection (b-1) to read as follows:

(b) For purposes of this section, the number of educationally disadvantaged students is determined:

(1) by averaging the best six months' numbers of students eligible for enrollment in the national school lunch program of free or reduced-price lunches for the preceding school year; or

(2) in the manner provided by commissioner rule~~[-if no campus in the district participated in the national school lunch program of free or reduced-price lunches during the preceding school year].~~

(b-1) A student receiving a full-time virtual education through the state virtual school network may be included in determining the number of educationally disadvantaged students under Subsection (b) if the school district submits to the commissioner a plan detailing the enhanced services that will be provided to the student and the commissioner approves the plan.

SECTION 3. This Act applies beginning with the 2015-2016 school year.

SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

Representative G. Bonnen moved to adopt the conference committee report on **HB 1305**.

The motion to adopt the conference committee report on **HB 1305** prevailed by (Record 1792): 141 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Alonzo; Dukes; Frullo; Miles.

#### **SB 1756 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Phillips submitted the conference committee report on **SB 1756**.

Representative Phillips moved to adopt the conference committee report on **SB 1756**.

The motion to adopt the conference committee report on **SB 1756** prevailed by (Record 1793): 142 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer;

Stephenson; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Stickland; Turner, S.

### **HB 3405 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Isaac submitted the following conference committee report on **HB 3405**:

Austin, Texas, May 29, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 3405** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Campbell

Zaffirini

L. Taylor

Kolkhorst

On the part of the senate

Isaac

E. Rodriguez

Frank

Howard

On the part of the house

**HB 3405**, A bill to be entitled An Act relating to the territory, jurisdiction, and powers of the Barton Springs-Edwards Aquifer Conservation District, including its authority to regulate certain wells for the production of groundwater; imposing a cap on certain fees.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter A, Chapter 8802, Special District Local Laws Code, is amended by adding Section 8802.0035 to read as follows:

Sec. 8802.0035. **SHARED TERRITORY; JURISDICTION.** (a) The territory of the district includes any territory that is:

(1) inside the boundaries of:

(A) the Edwards Aquifer Authority; and

(B) Hays County; and

(2) not within the boundaries of the Plum Creek Conservation District as those boundaries existed on February 1, 2015.

(b) The Edwards Aquifer Authority has jurisdiction over any well that is drilled to produce water from the Edwards Aquifer in the shared territory described by Subsection (a).

(c) The district has jurisdiction over groundwater and any well that is drilled to produce water from any aquifer other than the Edwards Aquifer in the shared territory described by Subsection (a).

(d) Except for the district and the Edwards Aquifer Authority, no district or authority created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, has authority in the shared territory described by Subsection (a) to regulate the spacing of water wells or the production from water wells.

(e) The district has jurisdiction over any well that is drilled to produce water from the Edwards Aquifer or any other aquifer in the territory described by Section 8802.003.

(f) The district's jurisdiction over any well that is drilled to produce water in the territory described in Section 8802.003, including a well that is used to recover water that has been injected as part of an aquifer storage and recovery project, applies to all wells for which the district has jurisdiction in the shared territory described by this section.

SECTION 2. Section 8802.1045, Special District Local Laws Code, is amended by adding Subsection (g) to read as follows:

(g) This subsection applies only to a well located in the shared territory described by Section 8802.0035. Notwithstanding Subsection (b), the district may not charge an annual production fee of more than 17 cents per thousand gallons of water produced under a permit from a well under this subsection, if the water is permitted for any use other than agricultural use.

SECTION 3. As soon as practicable after the effective date of this Act, and in conformance with the requirements of Section 8802.053, Special District Local Laws Code, the board of directors of the Barton Springs-Edwards Aquifer Conservation District shall revise the single-member districts as the board considers appropriate to reflect the changes in territory made by Section 8802.0035, Special District Local Laws Code, as added by this Act.

SECTION 4. (a) In this section:

(1) "District" means the Barton Springs-Edwards Aquifer Conservation District.

(2) "Maximum production capacity" means the maximum production capacity of a well, which may be based on a 36-hour pump test conducted at the time the well was initially constructed or placed into service.

(b) This section applies only to the shared territory added to the district by Section 8802.0035, Special District Local Laws Code, as added by this Act.

(c) A person operating a well before the effective date of this Act or who has entered into a contract before the effective date of this Act to drill or operate a well that is or will be located in the territory described by Subsection (b) of this section and subject to the jurisdiction of the district under Section 8802.0035, Special District Local Laws Code, as added by this Act, shall file an administratively complete permit application with the district not later than three months after the effective date of this Act for the drilling, equipping, completion, or operation of any well if the well requires a permit under the rules or orders of the district. The person may file the permit application for an amount of groundwater production not to exceed the maximum production capacity of the well.

(d) The district shall issue a temporary permit to a person who files an application under Subsection (c) of this section without a hearing on the application not later than the 30th day after the date of receipt of the application. The district shall issue the temporary permit for the groundwater production amount set forth in the application. The temporary permit issued under this subsection shall provide the person with retroactive and prospective authorization to drill, operate, or perform another activity related to a well for which a permit is required by the district for the period of time between the effective date of this Act and the date that the district takes a final, appealable action on issuance of a regular permit pursuant to the permit application if:

(1) the person's drilling, operating, or other activities associated with the well are consistent with the authorization sought in the permit application;

(2) the person timely pays to the district all administrative fees and fees related to the amount of groundwater authorized to be produced pursuant to the temporary permit in the same manner as other permit holders in the district; and

(3) the person complies with other rules and orders of the district applicable to permit holders.

(e) The temporary permit issued under Subsection (d) does not confer any rights or privileges to the permit holder other than those set forth in this section. After issuing the temporary permit, the district shall process the permit application for notice, hearing, and consideration for issuance of a regular permit consistent with this section. The district, after notice and hearing, shall issue an order granting the regular permit authorizing groundwater production in the amount set forth in the temporary permit unless the district finds that authorizing groundwater production in the amount set forth in the temporary permit will cause:

(1) a failure to achieve the applicable adopted desired future conditions for the aquifer; or

(2) an unreasonable impact on existing wells.

(f) In the hearing on issuance of the regular permit under Subsection (e), the permit applicant bears the burden of proof.

(g) The holder of a temporary or regular permit subject to a district order under this section to reduce the amount of groundwater production from the permitted well may contest the reduction by requesting a contested case hearing to be conducted by the State Office of Administrative Hearings in the manner provided by Sections 36.416, 36.4165, and 36.418, Water Code. The district shall contract with the State Office of Administrative Hearings to conduct the hearing as provided by those sections of the Water Code. To the extent possible, the State Office of Administrative Hearings shall expedite a hearing under this subsection. The permit applicant bears the burden of proof in the hearing.

(h) For the State Office of Administrative Hearings to recommend overturning a district order reducing the amount of groundwater authorized to be produced under a temporary permit, the permit holder must demonstrate by a preponderance of the evidence that the production of the amount of groundwater authorized based on the maximum production capacity will not cause:

(1) a failure to achieve applicable adopted desired future conditions for the aquifer; or

(2) an unreasonable impact on existing wells as found in the district's order.

(i) A person who relies on the temporary permit granted by this section to drill, operate, or engage in other activities associated with a water well assumes the risk that the district may grant or deny, wholly or partly, the permit application when the district takes final action after notice and hearing to issue a regular permit pursuant to the application.

SECTION 5. If the addition of territory under Section 8802.0035, Special District Local Laws Code, as added by this Act, causes the annual water use fee in Section 8802.105 to exceed \$1 million, the district shall not require an assessment of greater than \$1 million annually as adjusted to reflect the percentage change during the preceding year in the Consumer Price Index.

SECTION 6. (a) The legislature validates and confirms all acts and proceedings of the board of directors of the Barton Springs-Edwards Aquifer Conservation District that were taken before the effective date of this Act.

(b) Subsection (a) of this section does not apply to any matter that on the effective date of this Act:

(1) is involved in litigation if the litigation ultimately results in the matter being held invalid by a final judgment of a court; or

(2) has been held invalid by a final judgment of a court.

SECTION 7. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, the lieutenant governor, and the speaker of the house of representatives within the required time.

(d) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 8. It is the intent of the legislature that this Act apply only to the territory described by Section 8802.0035, Special District Local Laws Code, as added by this Act, and not have statewide implications.

SECTION 9. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

#### **HB 3405 - STATEMENT OF LEGISLATIVE INTENT**

Representative Isaac submitted the following statement for inclusion in the journal:

REPRESENTATIVE E. RODRIGUEZ: Representative Isaac, at the outset, let me say that I am supportive of your bill. The Hays County and Travis County delegations have put a lot of work into this bill this session, and I wanted to commend you on getting this bill through the process. I just want to ask you, as the author of **HB 3405**, a few questions about the bill and the senate amendments to establish the legislative intent of this measure. One of the things that was in the senate committee substitute was the inclusion of a piece of territory in my legislative district and Representative Howard's district that is critical for the management of the groundwater resources in Travis County, but I understand that was not included in the final bill because of a problem with the notice. Is that correct?

REPRESENTATIVE ISAAC: Yes, that is correct.

E. RODRIGUEZ: And I understand that you have agreed to work with me and Representative Howard next session on a bill that would include that territory in the Barton Springs district. Is that correct?

ISAAC: Yes, that is correct.

E. RODRIGUEZ: Also, Representative Isaac, there was a provision in the senate committee substitute that would have escalated the permit fee for well owners in Hays County by 10 cents per year until they were on par with the fees paid by new well owners in Travis County, but that was not included in the final senate amendments. And I understand that you are amenable to helping Representative Howard and I restore that fee escalator next session so that your constituents and our constituents will eventually all be on a level playing field on the amount of fees that are paid to the district. Is that correct?

ISAAC: Should we return, I am happy to discuss that next session.

E. RODRIGUEZ: Now, let's talk about the procedures for issuance of a temporary permit and a regular permit that ended up in the final language. As I understand it, a person in the territory added by this bill has three months from the effective date of this Act to file an administratively complete permit application with the Barton Springs district. And then the district will issue a temporary permit to the applicant that will provide the applicant with authority to drill or operate a well, consistent with permit application, during the period of time between the effective date of the Act and the date the district's board of directors takes final action to grant or deny the regular permit. Is that correct?

ISAAC: Yes, that is correct.

E. RODRIGUEZ: And if during that period of time before issuance of the regular permit the district wants to reduce the amount of water that can be pumped under the temporary permit, the district can only do so if the district's board of directors finds that permit holder is unable to demonstrate by a preponderance of the evidence that their groundwater production will not cause either: (1) a failure to achieve applicable desired future conditions for the aquifer; or (2) unreasonable impacts on existing wells. And the permit holder bears the burden of proof on those demonstrations. Is that all correct?



ISAAC: Yes, that is correct.

E. RODRIGUEZ: So those demonstrations in Subsection (h) of Section 3 of your bill only apply to the temporary permit, correct?

ISAAC: Yes, that is correct.

E. RODRIGUEZ: Now, let's discuss the regular permit. As I understand it, the district board, after notice and hearing, is required to issue the regular permit in the same amount of authorized groundwater production as the temporary permit unless the district finds that doing so will cause: (1) a failure to achieve the applicable adopted desired future conditions for the aquifer; or (2) an unreasonable impact on existing wells. Representative Isaac, Chapter 36 of the Texas Water Code, at Section 36.113, also requires groundwater districts to consider certain other factors in deciding whether to grant or deny a permit, authorizes them to require certain information in permit applications, and authorizes them to impose certain permit conditions, terms, and provisions. For example, the water has to be put to a beneficial use, and the applicant has to agree to avoid waste. Is it your intent that the provisions of Section 36.113 would apply to issuance of a regular permit in the territory added by **HB 3405** in addition to the provisions included in your bill?

ISAAC: Yes, it is my intent that all of the other provisions of Chapter 36 of the Water Code and the district's enabling legislation would apply to these wells in the new territory.

E. RODRIGUEZ: Representative Isaac, it is my understanding that the Barton Springs district also has special provisions in its regulatory system that may require permit holders to reduce pumping in certain drought conditions. **HB 3405** just deals with issuance of the permit holders underlying temporary permit and regular permit. It is not your intent to give any of those permit holders in the added territory any special exemption from the pumping reductions that may be required by the district during special drought conditions, is it?

ISAAC: No, it is not my intent to exempt anyone from the district's rules that apply to permit holders during times of severe drought.

E. RODRIGUEZ: Thank you. And, finally, Representative Isaac, I understand there was a discrepancy between two of the senate floor amendments. Senate Floor Amendment No. 1 required permit holders to pay fees based upon the amount authorized in the permit, which is how I understand the district's regulatory and financing system is structured, and Senate Floor Amendment No. 2 inadvertently said that fees would be based upon the amount of water produced. I understand that we will have a technical correction resolution introduced to clarify the language in Floor Amendment No. 2 to make sure everyone understands that your intent is not to have a different fee payment system in the added territory but to have those permit holders pay fees based on the amount authorized in the permit, just as all other permit holders in the district currently pay fees. Is that correct?

ISAAC: Yes, that is my intent.

Representative Isaac moved to adopt the conference committee report on **HB 3405**.

The motion to adopt the conference committee report on **HB 3405** prevailed by (Record 1794): 143 Yeas, 1 Nays, 1 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Bonnen, D.(C).

Present, not voting — Mr. Speaker.

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Larson.

#### **STATEMENTS OF VOTE**

When Record No. 1794 was taken, I was shown voting yes. I intended to vote no.

Harless

When Record No. 1794 was taken, I was in the house but away from my desk. I would have voted yes.

Larson

#### **SB 313 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Aycock submitted the conference committee report on **SB 313**.

#### **SB 313 - REMARKS**

REPRESENTATIVE AYCOCK: This was sent back to conference committee to strip one nongermane amendment. We retained the Keough amendment which addressed some of the concerns you had the other day about realigning the TEKS that have already been reworked. And I believe I have questions probably.

REPRESENTATIVE KEOUGH: Thank you, Chairman Aycock. I have a couple of questions, if you would, please. When you and I chatted the other day, we talked about the difference between the 100 percent as opposed to the 75 percent for information for the student curriculum. We also talked about the books and the reading of the books and whether or not those would be replaced. We decided we would go with one amendment; we'll let the other one go. And it comes back here, and it seems that there have been a few changes within it. So it kind of makes me just ask some general questions about the whole thing. And that has to do with—where is the urgency? Why do we have an urgency to change this bill? In this bill—to change a process that was basically put in place in 2010 and, at least in social studies, has been implemented and studied through 2014, and we have books for 2015. And now, we have the potential to change all that. Help me with the urgency here.

AYCOCK: I think your amendment addressed the ones that have already been worked. The ones that have not been worked through are English language arts, which your amendment also left forward for them to work through. The real thing comes down to do we want to continue to narrow those TEKS and, I think, with the state board's work. And most of the state board is trying real hard to get to the narrowing of the TEKS. They're trying to narrow those TEKS, and we want to continue to encourage them to do so. The Section 7 that your letter addresses is referring to, as they move forward, to those future adoptions. It does not require them to go back and readopt those that have already been worked. There was some unclarity about that. So that's referring to future adoptions as they move forward. The other big thing in there is the merger that occurred in 2011, when they merged the funding that comes from the state board money. I realize that they don't want to turn loose some of that money, but the reality is we are at a point where we need to make a choice between all of that money being in printed material—or strongly encouraged to be in print material by the state board—or do we want to allow more flexibility for our districts to do more electronic delivery. And I certainly believe we need to come down on the side of more electronic delivery moving forward. And I realize that is a controversial issue.

KEOUGH: If I may, let me just take this one by one, because you're talking about the curriculum, the social studies curriculum, and you're also talking specifically about the monies as they're used by the school districts. Correct?

AYCOCK: Correct. When we merged those funds—

KEOUGH: If you'll notice in the bill—in the first section, not just the seventh—in the first section it talks about information previous to 2012 as subject to review and change. This stuff that I'm talking about was adopted in 2010 and was brought forward and tested in 2011 and 2012. I personally read the textbooks for a week here in Austin last year in 2014 for the purpose of putting them in place in the fall of 2015 with a change coming in 2019. So what we're opening here is the opportunity to go back and for these textbook companies to go back and change all of that. Is that not true?

AYCOCK: No. It requires that they narrow the TEKS and narrow the test questions. It doesn't require that they broaden them. So all of that work that was done by you and similar committees is still valid and will not be redone.

KEOUGH: I chatted with the chairman of the Texas School Board, Barbara Cargill, about this, and in her testimony she said that the narrowing was already in the process of taking place.

AYCOCK: It is, and we want to encourage that.

KEOUGH: Let me finish, if you would, please. The science is scheduled for 2016, social studies is scheduled for 2017, with both to be implemented in 2019 and 2020, in that order. So we have a process already in place. So my concern about this is that we are changing something where we already have a schedule. We have thought through the process, the board has got approval from the state legislature to do this, and now all of a sudden here we are in this bill we're wanting to change. The second thing is the issue that has to do with the money. That 100 percent allows a school board to spend 100 percent of that money any way they want. In this bill, as I understand it, doesn't it say that 75 percent could be spent on instructional materials and the rest had to be spent—the 25 percent—on technology?

AYCOCK: No. The school districts still have the ability to spend it as they choose. What this does is require that the State Board of Education reduce the expenditure required for printed material to 75 percent, which frees up that other 25 percent to spend as the district chooses. They can choose it in printed material if they wish. They can also spend it in technology issues if they wish. It is still left up to the district either way. But it does constrain the state board in what those proclamations should cost, restraining that they should adopt proclamations that don't use more than 75 percent of the funds available.

KEOUGH: Right, I got you. The 25 percent then, if it's not spent on instructional material—

AYCOCK: It has to be spent on instructional materials.

KEOUGH: But it's online instructional materials. It can be for iPads, PCs, whatever, but that's technological type stuff, correct?

AYCOCK: That's correct. It frees that money up to be spent on certain material, either printed or in electronic version.

KEOUGH: Then my next question is, why now is that changing? And here's why I ask. If you look at the testing that has taken place, the end-of-year exam passing rate is now up to 92 percent. The passing rate in the 2014-2015 school year was 83.5 percent. The following December of 2014, administration was 90.3 percent, and the following May 2015 put it at 92 percent. And that's across the board—whether it was white, Hispanic, African American. Biology was 98.8 percent, algebra was 97.2 percent, U.S. history is 95.4 percent, English is 93.6 percent, English II is 90.7 percent—and so we have an improvement taking

place. We have a process in place. We've got the school board on board with the legislature in terms of what we established back in 2010. And now we want to make a change just in this bill and—

AYCOCK: I don't see the change. I think part of the reason we're doing so well is we've moved toward a more flexible situation of delivery of our instructional material. I think that is contributing to this change.

KEOUGH: But we haven't gotten there yet. They have 100 percent of the material right now for instruction that allows them within the school—if they want to spend it on technology they can; if they want to spend it on other material they can. If there is a change in books and they want to purchase books, they have 100 percent of that to purchase the books. What we're doing in this process is taking it away—25 percent away that absolutely has to be spent on technology. I mean, that's how I read the bill.

AYCOCK: No, I'd absolutely disagree with that. The district can spend all of it on printed material if they choose. They can spend what they can get of it in the other 25 percent. The problem is that the state board has been using proclamations that use up all of the available money. Unless we appropriated a whole bunch more money, they're constrained by the money that's dedicated to that proclamation, and that's what we're trying to get away from.

KEOUGH: Okay, just one last question. Since we put a process in place, and we haven't even put the books in place yet for 2015—I just read them last summer. I was there. I read the social studies books—

AYCOCK: We're not going back to cover this. Members, this gives the districts flexibility, and I move passage.

#### STATEMENT BY REPRESENTATIVE SIMMONS

Representative Simmons submitted the following statement for inclusion in the journal:

As you may recall, I offered an amendment to **SB 313** on third reading that was adopted unanimously in this chamber. My amendment would have provided students with severe disabilities a way to opt out of the requirement to take the STAAR tests. These students are already able to be exempt from the requirement to pass the STAAR test, but the state provides no statutory mechanism to keep them from having to sit for the test. My amendment would have provided this mechanism.

The conference committee report for **SB 313** does not include my amendment because of concerns about its germaneness to the bill. For this reason, I did not sign the conference committee report, and I will be voting no on **SB 313**. At some point, members, we need to take a stand for the people who cannot take a stand for themselves. That is what these families have asked for, and I am tired of seeing this body and the TEA turn a blind eye to the cries of these students and their families.

Last session, I had an amendment added to **HB 5** that would have allowed the commissioner to adopt assessment instruments that would actually measure growth for our students with the most severe special needs. The TEA has done nothing to implement this provision. This session, I filed **HB 3055**, which would have accomplished the same purpose as my amendment to **SB 313**. **HB 3055** never received a hearing.

I understand there are concerns about running afoul of federal law with these provisions, but I know that states such as California, Ohio, and Florida already have statutory provisions that allow students with the most severe disabilities to be exempt from having to take standardized tests. Since when has Texas been afraid to stand up to the federal government? Why are we not leading on this issue? Why are we not taking a stand for these children?

Thank you, Chairman Aycock, and thank you, members, for the opportunity to make these remarks. And thank you for your support of my amendment when Chairman Aycock left it to the will of the house. You better believe I will be back here next session to fight this fight again. I hope you will join me.

Representative Aycock moved to adopt the conference committee report on **SB 313**.

The motion to adopt the conference committee report on **SB 313** prevailed by (Record 1795): 86 Yeas, 50 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Ashby; Aycock; Bell; Bernal; Blanco; Canales; Clardy; Coleman; Collier; Cook; Crownover; Cyrier; Darby; Davis, S.; Davis, Y.; Dutton; Faircloth; Farias; Farney; Frullo; Galindo; Giddings; Gonzales; González; Guerra; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Israel; Johnson; Kacal; Keffer; King, K.; King, S.; King, T.; Koop; Kuempel; Larson; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Meyer; Miles; Miller, D.; Moody; Muñoz; Murphy; Murr; Nevárez; Oliveira; Otto; Paddie; Peña; Phelan; Pickett; Price; Raney; Reynolds; Rodriguez, J.; Romero; Rose; Schubert; Sheffield; Smith; Smithee; Spitzer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; Turner, S.; VanDeaver; Villalba; Vo; Walle; Wu; Zerwas.

Nays — Anderson, C.; Anderson, R.; Bohac; Bonnen, G.; Burns; Burrows; Button; Capriglione; Craddick; Dale; Elkins; Fallon; Fletcher; Flynn; Frank; Geren; Goldman; Hughes; Isaac; Keough; King, P.; Klick; Krause; Landgraf; Laubenberg; Leach; Metcalf; Miller, R.; Morrison; Parker; Paul; Phillips; Riddle; Rinaldi; Sanford; Schaefer; Schofield; Shaheen; Sheets; Simmons; Simpson; Springer; Stickland; Tinderholt; Turner, E.S.; White, J.; White, M.; Workman; Wray; Zedler.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Burkett; Deshotel; Dukes; Farrar; Guillen; Hunter; Naishtat; Raymond; Rodriguez, E.

**STATEMENTS OF VOTE**

When Record No. 1795 was taken, I was in the house but away from my desk. I would have voted no.

Burkett

When Record No. 1795 was taken, I was shown voting yes. I intended to vote no.

Cyrier

When Record No. 1795 was taken, I was in the house but away from my desk. I would have voted yes.

Deshotel

When Record No. 1795 was taken, I was shown voting yes. I intended to vote no.

Harless

When Record No. 1795 was taken, I was in the house but away from my desk. I would have voted no.

Hunter

When Record No. 1795 was taken, I was shown voting yes. I intended to vote no.

Murr

When Record No. 1795 was taken, I was in the house but away from my desk. I would have voted yes.

Naishtat

When Record No. 1795 was taken, I was shown voting yes. I intended to vote no.

Phelan

When Record No. 1795 was taken, I was in the house but away from my desk. I would have voted yes.

Raymond

When Record No. 1795 was taken, I was in the house but away from my desk. I would have voted yes.

E. Rodriguez

When Record No. 1795 was taken, I was shown voting yes. I intended to vote no.

Spitzer

**SB 523 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Keffer submitted the conference committee report on **SB 523**.

Representative Keffer moved to adopt the conference committee report on **SB 523**.

The motion to adopt the conference committee report on **SB 523** prevailed by (Record 1796): 141 Yeas, 2 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dukes; Dutton; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Elkins; King, T.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Burrows; Miles.

### **STATEMENTS OF VOTE**

When Record No. 1796 was taken, my vote failed to register. I would have voted yes.

Burrows

When Record No. 1796 was taken, I was in the house but away from my desk. I would have voted yes.

Miles

### **HB 991 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Bohac submitted the following conference committee report on **HB 991**:

Austin, Texas, May 30, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives



Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 991** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Huffines

Estes

Hinojosa

Nichols

Perry

On the part of the senate

Bohac

Ashby

Guillen

Martinez

Springer

On the part of the house

**HB 991**, A bill to be entitled An Act relating to the display of notice of federal and state tax rates for motor fuel sold at retail.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 17, Agriculture Code, is amended by adding Section 17.0515 to read as follows:

Sec. 17.0515. NOTICE OF MOTOR FUEL TAX RATES. (a) The department shall display on each motor fuel pump from which motor fuel is sold at retail a notice of the current rates of the federal and state motor fuel taxes. The notice must:

(1) display the current rate of each tax, in cents per gallon, for each type of motor fuel;

(2) be displayed on each face of the motor fuel pump on which the price of the motor fuel sold from the pump is displayed; and

(3) be displayed in a clear, conspicuous, and prominent manner.

(b) The department shall include the notice required under Subsection (a) with any other notice displayed or required by department rule to be displayed, including a "Fuel Feedback?" sticker.

SECTION 2. The Department of Agriculture is not required to display a notice on a motor fuel pump under Section 17.0515, Agriculture Code, as added by this Act, until the later of the date:

(1) the department is at the pump's location for an inspection or other official business; or

(2) the department's inventory of "Fuel Feedback?" stickers on hand on the effective date of this Act is used and the department acquires new stickers.

SECTION 3. This Act takes effect January 1, 2016.

Representative Bohac moved to adopt the conference committee report on **HB 991**.

The motion to adopt the conference committee report on **HB 991** prevailed by (Record 1797): 143 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez;

Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Coleman; Dukes.

### **HB 1559 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Parker submitted the following conference committee report on **HB 1559**:

Austin, Texas, May 30, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 1559** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

L. Taylor  
Bettencourt  
Kolkhorst  
V. Taylor

Parker  
Aycok  
Deshotel  
Farney  
Huberty

On the part of the senate

On the part of the house

**HB 1559**, A bill to be entitled An Act relating to public school Internet website information concerning local programs and services available to assist homeless students.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter Z, Chapter 33, Education Code, is amended by adding Section 33.906 to read as follows:

Sec. 33.906. WEBSITE INFORMATION CONCERNING LOCAL PROGRAMS AND SERVICES AVAILABLE TO ASSIST HOMELESS STUDENTS. (a) Except as provided by Subsection (e), each school that

maintains an Internet website shall post on the website information regarding local programs and services, including charitable programs and services, available to assist homeless students.

(b) A school to which Subsection (a) applies shall make a good faith effort to compile information described by that subsection and shall post the information compiled in a format and style that is easily understandable by students or parents, as appropriate based on the grade levels the school offers.

(c) A representative of a local program or service available to assist homeless students may request to have information concerning the program or service posted on a school's website. A school may determine the information that is posted on the school's website and is not required to post information as requested by the representative.

(d) A school district is not liable for any harm to a student that results in connection with a local program or service referred to on the website of a district school as provided by this section.

(e) This section does not apply to a school within a school district that:  
(1) has an enrollment of fewer than 3,000 students; and  
(2) is primarily located in a county with a population of less than 50,000.

(f) This section expires September 1, 2025.

SECTION 2. This Act applies beginning with the 2015-2016 school year.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

Representative Parker moved to adopt the conference committee report on **HB 1559**.

The motion to adopt the conference committee report on **HB 1559** prevailed by (Record 1798): 138 Yeas, 6 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield;

Simmons; Smith; Smithee; Spitzer; Springer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Klick; Phillips; Rinaldi; Simpson; Stickland; Tinderholt.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes.

### **SB 1630 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative S. Turner submitted the conference committee report on **SB 1630**.

### **REMARKS ORDERED PRINTED**

Representative Faircloth moved to print all remarks on **SB 313**.

The motion prevailed.

### **SB 1630 - (consideration continued)**

Representative S. Turner moved to adopt the conference committee report on **SB 1630**.

The motion to adopt the conference committee report on **SB 1630** prevailed by (Record 1799): 137 Yeas, 7 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schubert; Shaheen; Sheets; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Dutton; Klick; Murr; Rinaldi; Schofield; Springer; Tinderholt.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes.

**SB 1964 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Martinez submitted the conference committee report on **SB 1964**.

Representative Martinez moved to adopt the conference committee report on **SB 1964**.

The motion to adopt the conference committee report on **SB 1964** prevailed by (Record 1800): 143 Yeas, 1 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Simpson.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes.

**HB 6 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Otto submitted the following conference committee report on **HB 6**:

Austin, Texas, May 30, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 6** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Hinojosa  
Nelson  
Eltime  
Nichols  
Hancock  
On the part of the senate

Otto  
Darby  
Geren  
Simmons  
S. Turner  
On the part of the house

**HB 6**, A bill to be entitled An Act relating to the creation and re-creation of funds and accounts, the dedication and rededication of revenue, and the exemption of unappropriated money from use for general governmental purposes.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. DEFINITION. In any provision of this Act that does not amend current law, "state agency" means an office, institution, or other agency that is in the executive branch or the judicial branch of state government, has authority that is not limited to a geographical portion of the state, and was created by the constitution or a statute of this state. The term does not include an institution of higher education as defined by Section 61.003, Education Code.

SECTION 2. ABOLITION OF FUNDS, ACCOUNTS, AND DEDICATIONS. Except as otherwise specifically provided by this Act, all funds and accounts created or re-created by an Act of the 84th Legislature, Regular Session, 2015, that becomes law and all dedications or rededications of revenue collected by a state agency for a particular purpose by an Act of the 84th Legislature, Regular Session, 2015, that becomes law are abolished on the later of August 31, 2015, or the date the Act creating or re-creating the fund or account or dedicating or rededicating revenue takes effect.

SECTION 3. PREVIOUSLY EXEMPT DEDICATIONS, FUNDS, AND ACCOUNTS. Section 2 of this Act does not apply to:

(1) statutory dedications, funds, and accounts that were enacted before the 84th Legislature convened to comply with requirements of state constitutional or federal law;

(2) dedications, funds, or accounts that remained exempt from former Section 403.094(h), Government Code, at the time dedications, accounts, and funds were abolished under that provision;

(3) increases in fees or in other revenue dedicated as described by this section; or

(4) increases in fees or in other revenue required to be deposited in a fund or account described by this section.

SECTION 4. FEDERAL FUNDS. Section 2 of this Act does not apply to funds created under an Act of the 84th Legislature, Regular Session, 2015, for which separate accounting is required by federal law, except that the funds shall be deposited in accounts in the general revenue fund unless otherwise required by federal law.

SECTION 5. TRUST FUNDS. Section 2 of this Act does not apply to trust funds or dedicated revenue deposited to trust funds created under an Act of the 84th Legislature, Regular Session, 2015, except that the trust funds shall be held in the state treasury, with the comptroller in trust, or outside the state treasury with the comptroller's approval.

SECTION 6. BOND FUNDS. Section 2 of this Act does not apply to bond funds and pledged funds created or affected by an Act of the 84th Legislature, Regular Session, 2015, except that the funds shall be held in the state treasury, with the comptroller in trust, or outside the state treasury with the comptroller's approval.

SECTION 7. CONSTITUTIONAL FUNDS. Section 2 of this Act does not apply to funds or accounts that would be created or re-created by the Texas Constitution or revenue that would be dedicated or rededicated by the Texas Constitution under a constitutional amendment proposed by the 84th Legislature, Regular Session, 2015, or to dedicated revenue deposited to funds or accounts that would be so created or re-created, if the constitutional amendment is approved by the voters.

SECTION 8. ADDITIONAL USES FOR DEDICATED FUNDS, ACCOUNTS, OR REVENUE. Section 2 of this Act does not apply to a newly authorized dedication of or use of a dedicated fund, a dedicated account, or dedicated revenue as provided by an Act of the 84th Legislature, Regular Session, 2015, to the extent that Act affects a fund, an account, or revenue that was exempted from funds consolidation before January 1, 2015. A dedicated fund, a dedicated account, or dedicated revenue that was exempted from funds consolidation before January 1, 2015, may be used as an Act of the 84th Legislature, Regular Session, 2015, provides, and a change in the name or authorized use of a previously exempted dedicated fund or account does not affect the fund's or account's dedicated nature.

SECTION 9. ENVIRONMENTAL RADIATION AND PERPETUAL CARE ACCOUNT. On September 1, 2015, the environmental radiation and perpetual care account created by Section 401.306, Health and Safety Code, as enacted by Section 12, Chapter 1159 (**SB 347**), Acts of the 83rd Legislature, Regular Session, 2013, is re-created by this Act as an account in the general revenue fund, and all revenue dedicated for deposit to the credit of the environmental radiation and perpetual care account by a provision of Chapter 1159 (**SB 347**), Acts of the 83rd Legislature, Regular Session, 2013, is rededicated by this Act for that purpose. Section 2 of this Act does not apply to the account as re-created by this Act or a dedication of revenue to the account as rededicated by this Act.

SECTION 10. SPECIAL FUND FOR MONEY RECEIVED FROM FEDERAL GOVERNMENT. Section 2 of this Act does not apply to a special fund in the state treasury established by the comptroller of public accounts for the purpose of holding money received from the federal government as authorized by **HB 8**, or by similar legislation of the 84th Legislature, Regular Session, 2015, that becomes law. If that law provides that the comptroller may not deposit to the credit of the general revenue fund money received from the federal government or accrued interest or other earnings on money received from the federal government, Section 4 of this Act does not apply to federal funds to which that law applies.

SECTION 11. ACCOUNTS IN GENERAL REVENUE FUND. Effective on the later of the effective date of the Act creating or re-creating the specified account or August 31, 2015, the following accounts and the revenue deposited to the credit of those accounts are exempt from Section 2 of this Act and the accounts are created or re-created in the general revenue fund, if created or re-created by an Act of the 84th Legislature, Regular Session, 2015, that becomes law:

(1) the veterans recovery account, created as an account in the general revenue fund by **HB 175** or similar legislation;

(2) the Texas B-On-time student loan account, continued as an account in the general revenue fund by **HB 700** or similar legislation;

(3) the Texas farm and ranch lands conservation fund, continued as an account in the general revenue fund by **HB 1925** or similar legislation;

(4) the Global Agricultural Innovation Institute account, created as an account in the general revenue fund by **HB 3983** or similar legislation;

(5) the hospital perpetual care account, created as an account in the general revenue fund by **SB 424** or similar legislation;

(6) the mathematics and science teacher investment fund, continued as an account in the general revenue fund by **SB 686** or similar legislation;

(7) the account in the general revenue fund to which certain fee revenue is deposited by the Texas Medical Board as provided by **SB 848** or similar legislation;

(8) the wine industry development fund, re-created as an account in the general revenue fund by **SB 880**, **SB 881**, or similar legislation;

(9) the professional development account, continued as an account in the general revenue fund by **SB 893** or similar legislation;

(10) the compensation to child pornography victims fund, created as an account in the general revenue fund by **SB 1010** or similar legislation;

(11) the truancy prevention and diversion fund, re-created as an account in the general revenue fund by **SB 1925** or similar legislation; and

(12) the deferred maintenance fund, created as an account in the general revenue fund by **SB 2004** or similar legislation.

SECTION 12. SEPARATE FUNDS. Effective on the later of the effective date of the Act creating or re-creating the specified fund or August 31, 2015, the following funds, if created or re-created by an Act of the 84th Legislature, Regular Session, 2015, the revenue deposited to the funds, and the revenue dedicated for deposit to the funds, are exempt from Section 2 of this Act, and the funds are created or re-created as separate funds inside or outside of the state treasury, as specified by the Act creating or re-creating the fund:

(1) a separate fund established in the treasury of a political subdivision or maintained by a state law enforcement agency for scholarships for children of peace officers killed in the line of duty as authorized by **HB 530** or similar legislation;

(2) the Texas research university fund, the Texas comprehensive research fund, and the core research support fund created or re-created as provided by **HB 1000** or similar legislation;



(3) a special fund outside the treasury created to receive certain fees payable to the State Securities Board, as provided by **HB 2493** or similar legislation;

(4) the county road oil and gas fund, created as a trust fund outside the treasury to be held and administered by the comptroller of public accounts by **HB 2521** or similar legislation;

(5) the permanent fund supporting graduate medical education, created as a special fund in the treasury by **SB 18** or similar legislation;

(6) a special fund to be maintained by the Texas Appraiser Licensing and Certification Board, created as provided by **SB 1007** or similar legislation;

(7) the grain producer indemnity fund, created as a trust fund outside the treasury by **SB 1099** or similar legislation; and

(8) the Texas Department of Motor Vehicles fund, re-created as a special fund in the treasury by **SB 1512** or similar legislation.

SECTION 13. REVENUE DEDICATIONS. Effective on the later of the effective date of the Act dedicating or rededicating the specified revenue or August 31, 2015, the following dedications or rededications of revenue collected for a particular purpose are exempt from Section 2 of this Act, if dedicated or rededicated by an Act of the 84th Legislature, Regular Session, 2015:

(1) the dedication of revenue provided by **HB 14** or similar legislation;

(2) the dedication of certain fee revenue provided by **HB 984** or similar legislation;

(3) the dedication of certain revenue consisting of penalties, payments, or civil restitution to the judicial fund provided by **HB 1079** or similar legislation;

(4) the dedication of voluntary contributions to the fund for veterans' assistance provided by **HB 1584** or similar legislation;

(5) the dedication of fee revenue to the Texas Department of Motor Vehicles fund by **HB 2085** or similar legislation;

(6) the dedication of tax revenue imposed under Chapter 151, Tax Code, for deposit to the rural volunteer fire department insurance fund as provided by Section 151.801(c-2), Tax Code, as added by **HB 2113**, **SB 761**, or similar legislation;

(7) the dedication of certain fee revenue by **HB 2145** or similar legislation;

(8) the dedication of certain penalty revenue to the Texas Department of Insurance operating account as provided by **HB 2466** or similar legislation;

(9) the dedication of fee revenue to the Texas Department of Insurance operating account by **HB 2491** or similar legislation;

(10) the dedication of fee revenue to the state highway fund as provided by **HB 2861** or similar legislation;

(11) the dedication of voluntary contributions to the Glenda Dawson Donate Life-Texas Registry fund and the dedication of certain fee revenue to the Texas Mobility Fund provided by **HB 3283**, **SB 1561**, or similar legislation;

(12) the dedication of voluntary contributions to the fund for veterans' assistance provided by **HB 3710** or similar legislation;

- (13) the dedication of certain money received by the Texas Department of Transportation to the state highway fund by **HB 3868** or similar legislation;
  - (14) the dedication of tax revenue to the oil and gas regulation and cleanup fund by **HB 4034** or similar legislation;
  - (15) the dedication of fee revenue by **SB 195** or similar legislation;
  - (16) the dedication of revenue by **SB 204** or similar legislation;
  - (17) the dedication of revenue by **SB 208** or similar legislation;
  - (18) the dedication of penalty revenue to the compensation to victims of crime fund as provided by **SB 273** or similar legislation;
  - (19) the dedication of fee revenue to the state highway fund and the Texas Department of Motor Vehicles fund provided by **SB 562** or similar legislation;
  - (20) the dedication of certain money received by the Texas Department of Transportation to the state highway fund provided by **SB 638** or similar legislation;
  - (21) the dedication of fee revenue by **SB 699** or similar legislation;
  - (22) the dedication of certain revenue as provided by **SB 783** or similar legislation;
  - (23) the dedication of fee revenue to the Texas Department of Housing and Community Affairs by **SB 976** or similar legislation;
  - (24) the dedication of money received by the Parks and Wildlife Department to the game, fish, and water safety account and the state parks account by **SB 1132** or similar legislation;
  - (25) the dedication of fee revenue by **HB 2439** or similar legislation;
- and
- (26) the dedication of fee revenue by **HB 872** or similar legislation.

SECTION 14. CREATION OF NEW ACCOUNTS FOR LICENSE PLATE FEES. Section 2 of this Act does not apply to a new account created for receipt of fees for special license plates or for receipt of related revenue, gifts, or grants as provided by an Act of the 84th Legislature, Regular Session, 2015, or to the dedication of revenue to or contained in the new account. All license plate revenue shall be deposited to the credit of appropriate subaccounts of the License Plate Trust Fund No. 802.

SECTION 15. GOVERNOR'S UNIVERSITY RESEARCH INITIATIVE FUND; DEDICATION OF REVENUE. Section 2 of this Act does not apply to the governor's university research initiative fund or any other fund created by **HB 7**, **HB 26**, **SB 632**, or similar legislation of the 84th Legislature, Regular Session, 2015, that becomes law, any dedication of revenue made to the fund, or any dedication of revenue contained in the legislation creating the fund.

SECTION 16. ACCOUNTS IN STATE BULLION DEPOSITORY. Section 2 of this Act does not apply to an account in the state bullion depository created by **HB 483** or similar legislation of the 84th Legislature, Regular Session, 2015, that becomes law, or any dedication of revenue made to such an account.

SECTION 17. FUND, ACCOUNT, OR REVENUE DEDICATION: **HB 7**. Section 2 of this Act does not apply to a fund, account, or dedication of revenue created or re-created by **HB 7** or similar legislation of the 84th Legislature, Regular Session, 2015.

SECTION 18. CONSUMER DIRECTED HEALTH PLAN ACCOUNTS. Section 2 of this Act does not apply to a consumer directed health plan account created by **HB 966** or similar legislation of the 84th Legislature, Regular Session, 2015, that becomes law.

SECTION 19. TEXASSURE FUND. (a) Effective September 1, 2015, Sections 502.357(b) and (c), Transportation Code, are amended to read as follows:

(b) Fees collected under this section shall be deposited to the credit of the state highway fund except that the comptroller shall provide for a portion of the fees to be deposited first to the credit of a special fund in the state treasury outside the general revenue fund to be known as the TexasSure Fund in a total amount that is necessary to cover the total amount appropriated to the Texas Department of Insurance from that fund and for the remaining fees to be deposited to the state highway fund. Subject to appropriations, the money deposited to the credit of the state highway fund under this section may ~~shall~~ be used by the Department of Public Safety to:

(1) support the Department of Public Safety's reengineering of the driver's license system to provide for the issuance by the Department of Public Safety of a driver's license or personal identification certificate, to include use of image comparison technology;

(2) establish and maintain a system to support the driver responsibility program under Chapter 708; and

(3) make lease payments to the master lease purchase program for the financing of the driver's license reengineering project.

(c) ~~[Fees collected under this section shall be deposited to the credit of the state highway fund.]~~ Subject to appropriation, fees collected under this section ~~[the money]~~ may be used by the Department of Public Safety, the Texas Department of Insurance, the Department of Information Resources, and the department to carry out Subchapter N, Chapter 601.

(b) Section 2 of this Act does not apply to the TexasSure Fund or revenue dedicated to that fund.

SECTION 20. FLOODPLAIN PLANNING, MANAGEMENT, AND EDUCATION. On September 1, 2015, the floodplain management account created by Section 16.3161, Water Code, as enacted by Section 7, Chapter 1323 (**SB 1436**), Acts of the 80th Legislature, Regular Session, 2007, is re-created by this Act as a special fund in the state treasury outside the general revenue fund, and all revenue dedicated for deposit to the credit of the floodplain management account by a provision of Chapter 1323 (**SB 1436**), Acts of the 80th Legislature, Regular Session, 2007, is rededicated by this Act for that purpose, except that revenue deposited to the floodplain management account may be transferred to the Disaster Contingency Fund No. 453 to be used for extraordinary costs associated with flood risk analysis, planning, and public education. On

September 1, 2015, the comptroller of public accounts shall transfer all revenue estimated to be collected for deposit to the credit of the floodplain management account in the 2016-2017 biennium to the Disaster Contingency Fund No. 453. Section 2 of this Act does not apply to the floodplain management account as re-created by this Act or a dedication of revenue to the account or fund as dedicated or rededicated by this Act.

SECTION 21. AMENDMENT OF SECTION 403.095, GOVERNMENT CODE. Effective September 1, 2015, Section 403.095, Government Code, is amended by amending Subsections (b), (d), and (e) and adding Subsection (f) to read as follows:

(b) Notwithstanding any law dedicating or setting aside revenue for a particular purpose or entity, dedicated revenues that on August 31, 2017 [~~2015~~], are estimated to exceed the amount appropriated by the General Appropriations Act or other laws enacted by the 84th [~~83rd~~] Legislature are available for general governmental purposes and are considered available for the purpose of certification under Section 403.121.

(d) Following certification of the General Appropriations Act and other appropriations measures enacted by the 84th [~~83rd~~] Legislature, the comptroller shall reduce each dedicated account as directed by the legislature by an amount that may not exceed the amount by which estimated revenues and unobligated balances exceed appropriations. The reductions may be made in the amounts and at the times necessary for cash flow considerations to allow all the dedicated accounts to maintain adequate cash balances to transact routine business. The legislature may authorize, in the General Appropriations Act, the temporary delay of the excess balance reduction required under this subsection. This subsection does not apply to revenues or balances in:

- (1) funds outside the treasury;
- (2) trust funds, which for purposes of this section include funds that may or are required to be used in whole or in part for the acquisition, development, construction, or maintenance of state and local government infrastructures, recreational facilities, or natural resource conservation facilities;
- (3) funds created by the constitution or a court; or
- (4) funds for which separate accounting is required by federal law.

(e) Notwithstanding Subsection (b), dedicated revenues in the following accounts or funds or that by law are directed to be deposited to the credit of the following accounts or funds are not available for general governmental purposes and are not considered available for certification under Section 403.121:

- (1) the Texas Department of Insurance operating account no. 0036;
- (2) the lifetime license endowment account no. 0544;
- (3) the permanent fund for health and tobacco education and enforcement account no. 5044;
- (4) the permanent fund for children and public health account no. 5045;
- (5) the permanent fund for emergency medical services and trauma care account no. 5046;
- (6) the permanent fund for rural health facility capital improvement account no. 5047;

(7) the permanent hospital fund for capital improvements and the Texas Center for Infectious Disease account no. 5048;

(8) the child abuse and neglect prevention operating fund account no. 5084;

(9) the child abuse and neglect prevention trust fund account no. 5085;  
and

(10) the separate fund account of each institution of higher education in the general revenue fund.

(f) This section expires September 1, 2017 [2015].

SECTION 22. EFFECT OF ACT. (a) This Act prevails over any other Act of the 84th Legislature, Regular Session, 2015, regardless of the relative dates of enactment, that purports to create or re-create a special fund or account or to dedicate or rededicate revenue to a particular purpose, including any fund, account, or revenue dedication abolished under former Section 403.094, Government Code.

(b) An exemption from the application of Section 403.095, Government Code, contained in another Act of the 84th Legislature, Regular Session, 2015, that is exempted from the application of Section 2 of this Act has no effect.

(c) Revenue that, under the terms of another Act of the 84th Legislature, Regular Session, 2015, would be deposited to the credit of a special account or fund shall be deposited to the credit of the undedicated portion of the general revenue fund unless the fund, account, or dedication is exempted under this Act.

SECTION 23. EFFECTIVE DATE. Except as otherwise provided by this Act:

(1) this Act takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution; and

(2) if this Act does not receive the vote necessary for immediate effect, this Act takes effect on the 91st day after the last day of the legislative session.

Representative Otto moved to adopt the conference committee report on **HB 6**.

The motion to adopt the conference committee report on **HB 6** prevailed by (Record 1801): 142 Yeas, 1 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenber; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips;

Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Simpson.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Turner, S.

### **HB 3106 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Huberty submitted the following conference committee report on **HB 3106**:

Austin, Texas, May 30, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 3106** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Creighton  
Bettencourt  
Lucio  
L. Taylor  
West

Huberty  
Farney  
Phelan

On the part of the senate

On the part of the house

**HB 3106**, A bill to be entitled An Act relating to the period of time allowed for appointment of a board of managers for a school district.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 39.112, Education Code, is amended by amending Subsection (e) and adding Subsection (f) to read as follows:

(e) Except as otherwise provided by Subsection (f), at [A~~t~~] the direction of the commissioner but not later than the second anniversary of the date the board of managers of a district was appointed, the board of managers shall order an election of members of the district board of trustees. The election must be held on a uniform election date on which an election of district trustees may be held under Section 41.001, Election Code, that is at least 180 days after the date the election was ordered. On qualification of members for office, the board of trustees assumes all of the powers and duties assigned to a board of trustees by law, rule, or regulation.

(f) If, before the second anniversary of the date the board of managers of a district was appointed, the commissioner determines, after receiving local feedback, that insufficient progress has been made toward improving the academic or financial performance of the district, the commissioner may extend the authority of the board of managers for a period of up to two additional years.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

Representative Huberty moved to adopt the conference committee report on **HB 3106**.

The motion to adopt the conference committee report on **HB 3106** prevailed by (Record 1802): 128 Yeas, 14 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; Guerra; Guillen; Gutierrez; Harless; Hernandez; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberger; Leach; Lozano; Martinez; Metcalf; Meyer; Miller, D.; Miller, R.; Morrison; Muñoz; Murphy; Murr; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Blanco; Coleman; Collier; Deshotel; González; Herrero; Márquez; Martinez Fischer; Miles; Moody; Naishtat; Nevárez; Rose; Walle.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; McClendon; Stephenson.

#### STATEMENTS OF VOTE

When Record No. 1802 was taken, I was shown voting no. I intended to vote yes.

Miles

When Record No. 1802 was taken, I was shown voting yes. I intended to vote no.

J. Rodriguez

When Record No. 1802 was taken, I was shown voting yes. I intended to vote no.

C. Turner

When Record No. 1802 was taken, I was shown voting yes. I intended to vote no.

Wu

### **HB 824 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Kuempel submitted the following conference committee report on **HB 824**:

Austin, Texas, May 30, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 824** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Eltime  
Garcia  
Huffines

Kuempel  
Guillen  
Smith  
S. Thompson

On the part of the senate

On the part of the house

**HB 824**, A bill to be entitled An Act relating to the sale of alcoholic beverages to customers of a package store during certain hours.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 22, Alcoholic Beverage Code, is amended by adding Section 22.17 to read as follows:

Sec. 22.17. SALE TO CUSTOMER IN STORE AT CLOSING. Notwithstanding any other provision of this code, if a customer has entered a package store during hours in which the package store may sell alcohol and is still in the store at the time the hours of legal sale end, the permittee may allow the customer to remain in the store for a reasonable amount of time to finish shopping, and the permittee may sell an alcoholic beverage to that customer even though the sale occurs after the designated end of the hours of legal sale.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

Representative Kuempel moved to adopt the conference committee report on **HB 824**.



The motion to adopt the conference committee report on **HB 824** prevailed by (Record 1803): 144 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes.

#### **SB 1007 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Kuempel submitted the conference committee report on **SB 1007**.

Representative Kuempel moved to adopt the conference committee report on **SB 1007**.

The motion to adopt the conference committee report on **SB 1007** prevailed by (Record 1804): 114 Yeas, 27 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Burkett; Burns; Canales; Capriglione; Clardy; Coleman; Collier; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hunter; Isaac; Israel; Johnson; Kacal; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Kuempel; Landgraf; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Peña; Phelan; Pickett; Price; Raney; Raymond; Reynolds;

Rodriguez, E.; Rodriguez, J.; Romero; Rose; Schofield; Schubert; Sheets; Sheffield; Simmons; Smith; Spitzer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; Turner, S.; VanDeaver; Vo; Walle; Workman; Wray; Wu; Zerwas.

Nays — Bonnen, G.; Burrows; Button; Cook; Fallon; Hughes; Keough; Krause; Laubenberg; Leach; Murr; Paul; Phillips; Riddle; Rinaldi; Sanford; Schaefer; Shaheen; Simpson; Smithee; Springer; Stickland; Tinderholt; Turner, E.S.; Villalba; White, J.; Zedler.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Keffer; Larson; White, M.

### STATEMENTS OF VOTE

When Record No. 1804 was taken, I was shown voting yes. I intended to vote no.

Hunter

When Record No. 1804 was taken, I was shown voting yes. I intended to vote no.

Meyer

When Record No. 1804 was taken, I was in the house but away from my desk. I would have voted no.

M. White

### HB 18 - CONFERENCE COMMITTEE REPORT ADOPTED

Representative Aycock submitted the following conference committee report on **HB 18**:

Austin, Texas, May 30, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 18** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Perry  
Bettencourt  
Garcia  
Seliger  
L. Taylor  
On the part of the senate

Aycock  
Deshotel  
Farney  
Huberty  
Workman  
On the part of the house

**HB 18**, A bill to be entitled An Act relating to measures to support public school student academic achievement and high school, college, and career preparation.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 7.0561(b), (c), (d), and (j), Education Code, are amended to read as follows:

(b) The Texas High Performance Schools Consortium is established to inform the governor, legislature, State Board of Education, and commissioner concerning methods for transforming public schools in this state by improving student learning through the development of innovative, next-generation learning standards and assessment and accountability systems, including standards and systems relating to career and college readiness.

(c) From among school districts and eligible open-enrollment charter schools that apply using the form and in the time and manner established by commissioner rule, the commissioner may select not more than 30 ~~[20]~~ participants for the consortium. The districts selected by the commissioner must represent a range of district types, sizes, and diverse student populations, as determined by the commissioner in accordance with commissioner rule. To be eligible to participate in the consortium, an open-enrollment charter school must have been awarded a ~~[an exemplary]~~ distinction designation under Subchapter G, Chapter 39, during the preceding school year.

(d) The number of students enrolled in consortium participants may not be greater than a number equal to 10 ~~[five]~~ percent of the total number of students enrolled in public schools in this state according to the most recent agency data.

(j) The ~~[With the assistance of the]~~ school districts and open-enrollment charter schools participating in the consortium~~[- the commissioner]~~ shall submit reports concerning the performance and progress of the consortium to the governor, ~~[and]~~ the legislature, the State Board of Education, and the commissioner not later than December 1 of each even-numbered year~~[- 2012, and not later than December 1, 2014]. [The report submitted not later than December 1, 2012, must include any recommendation by the commissioner concerning legislative authorization for the commissioner to waive a prohibition, requirement, or restriction that applies to a consortium participant. That report must also include a plan for an effective and efficient accountability system for consortium participants that balances academic excellence and local values to inspire learning and, at the state level, contingent on any necessary waiver of federal law, may incorporate use of a stratified random sampling of students or other objective methodology to hold consortium participants accountable while attempting to reduce the number of state assessment instruments that are required to be administered to students. The commissioner shall seek a federal waiver, to any extent necessary, to prepare for implementation of the plan if enacted by the legislature. This subsection expires January 1, 2018.]~~

SECTION 2. Section 28.009(b), Education Code, is amended to read as follows:

(b) The agency shall coordinate with the Texas Higher Education Coordinating Board as necessary in administering this section. The commissioner may adopt rules as necessary concerning the duties under this section of a school district. The Texas Higher Education Coordinating Board may adopt rules as necessary concerning the duties under this section of a public institution of higher education. A rule may not limit the number of dual credit courses or semester credit hours in which a student may enroll while in high school or limit the number of dual credit courses or semester credit hours in which a student may enroll each semester or academic year.

SECTION 3. (a) Subchapter A, Chapter 28, Education Code, is amended by adding Section 28.015 to read as follows:

Sec. 28.015. PUBLIC OUTREACH MATERIALS TO PROMOTE CURRICULUM CHANGE AWARENESS. (a) The agency shall develop uniform public outreach materials that explain the importance and outline the details of public school curriculum changes under Chapter 211 (HB 5), Acts of the 83rd Legislature, Regular Session, 2013, and subsequent associated decisions by the State Board of Education. The agency shall make the materials available to school districts.

(b) The materials developed under this section must:

(1) be available in English, Spanish, and Vietnamese;

(2) be in a form that would allow school districts to mail the information to students and parents; and

(3) include an explanation of:

(A) the basic career and college readiness components of each endorsement under Section 28.025(c-1);

(B) the curriculum requirements to gain automatic college admission under Section 51.803; and

(C) applicable course, graduation plan, and endorsement requirements for financial aid authorized under Title 3, including curriculum requirements for:

(i) the TEXAS grant as provided under Subchapter M, Chapter 56;

(ii) the Texas Educational Opportunity Grant Program as provided under Subchapter P, Chapter 56; and

(iii) the Texas B-On-time loan program as provided under Subchapter Q, Chapter 56.

(c) This section expires September 1, 2018.

(b) The Texas Education Agency shall develop the materials described under Section 28.015, Education Code, as added by this section, no later than December 1, 2015.

SECTION 4. Subchapter A, Chapter 28, Education Code, is amended by adding Section 28.016 to read as follows:

Sec. 28.016. INSTRUCTION IN HIGH SCHOOL, COLLEGE, AND CAREER PREPARATION. (a) Each school district shall provide instruction to students in grade seven or eight in preparing for high school, college, and a career.

(b) The instruction must include information regarding:  
(1) the creation of a high school personal graduation plan under  
Section 28.02121;  
(2) the distinguished level of achievement described by  
Section 28.025(b-15);  
(3) each endorsement described by Section 28.025(c-1);  
(4) college readiness standards; and  
(5) potential career choices and the education needed to enter those  
careers.

(c) A school district may:  
(1) provide the instruction as part of an existing course in the required  
curriculum;  
(2) provide the instruction as part of an existing career and technology  
course designated by the State Board of Education as appropriate for that  
purpose; or  
(3) establish a new elective course through which to provide the  
instruction.

(d) Each school district shall ensure that at least once in grade seven or  
eight each student receives the instruction under this section.

SECTION 5. Subchapter A, Chapter 33, Education Code, is amended by adding Section 33.009 to read as follows:

Sec. 33.009. POSTSECONDARY EDUCATION AND CAREER  
COUNSELING ACADEMIES. (a) In this section, "center" means the Center for  
Teaching and Learning at The University of Texas at Austin.

(b) The center shall develop and make available postsecondary education  
and career counseling academies for school counselors and other postsecondary  
advisors employed by a school district at a middle school, junior high school, or  
high school.

(c) In developing academies under this section, the center shall solicit input  
from the agency, school counselors, the Texas Workforce Commission,  
institutions of higher education, and business, community, and school leaders.

(d) An academy developed under this section must provide counselors and  
other postsecondary advisors with knowledge and skills to provide counseling to  
students regarding postsecondary success and productive career planning and  
must include information relating to:

(1) each endorsement described by Section 28.025(c-1), including:  
(A) the course requirements for each endorsement; and  
(B) the postsecondary educational and career opportunities  
associated with each endorsement;

(2) available methods for a student to earn credit for a course not  
offered at the school in which the student is enrolled, including enrollment in an  
electronic course provided through the state virtual school network under  
Chapter 30A;

(3) general academic performance requirements for admission to an  
institution of higher education, including the requirements for automatic  
admission to a general academic teaching institution under Section 51.803;

(4) regional workforce needs, including information about the required education and the average wage or salary for careers that meet those workforce needs; and

(5) effective strategies for engaging students and parents in planning for postsecondary education and potential careers, including participation in mentorships and business partnerships.

(e) The center shall develop an online instructional program that school districts may use in providing the instruction in high school, college, and career preparation required by Section 28.016. The program must be structured for use as part of an existing course.

(f) The center may access the P-20/Workforce Data Repository established under Section 1.005(j-1) in developing training, instructional programs, and technological tools under this section and conducting related evaluations. The center may be provided access to the data repository through collaboration with the Texas Higher Education Coordinating Board or a center for education research established under Section 1.005. The agency and the coordinating board may not condition the center's access to the data repository on agency or board review of the proposed training, instructional programs, technological tools, or related evaluations developed by the center.

(g) A teacher of a course described by Section 28.016(c)(2) or (3) may attend an academy developed under this section.

(h) From funds appropriated for that purpose, a school counselor who attends the academy under this section is entitled to receive a stipend in the amount determined by the center. If funds are available after all eligible school counselors have received a stipend under this subsection, the center shall pay a stipend in the amount determined by the center to a teacher who attends the academy under this section. A stipend received under this subsection is not considered in determining whether a district is paying the school counselor or teacher the minimum monthly salary under Section 21.402.

(i) From available funds appropriated for purposes of this section, the center may provide to school counselors and other educators curricula, instructional materials, and technological tools relating to postsecondary education and career counseling.

(j) The center shall comply with any applicable provision of the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g) in performing its duties or exercising its authority under this section.

SECTION 6. (a) Section 51.3062, Education Code, is amended by adding Subsection (u) to read as follows:

(u) An institution of higher education that administers an assessment instrument to students under this section shall report to each school district from which assessed students graduated high school all available information regarding student scores and performance on the assessment instrument and student demographics. The board shall adopt rules as necessary to implement this subsection, including rules for implementing this subsection in a manner that complies with federal law regarding confidentiality of student medical or educational information, including the Health Insurance Portability and

Accountability Act of 1996 (42 U.S.C. Section 1320d et seq.) and the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g), and any state law relating to the privacy of student information.

(b) Section 51.3062(u), Education Code, as added by this section, applies beginning with assessment instruments administered by public institutions of higher education to entering undergraduate students for the 2016 fall semester.

SECTION 7. Section 130.008, Education Code, is amended by adding Subsections (g) and (h) to read as follows:

(g) A course offered for joint high school and junior college credit under this section must be taught by a qualified instructor approved or selected by the public junior college. For purposes of this subsection, an instructor is qualified if the instructor holds:

(1) a doctoral or master's degree in the discipline that is the subject of the course;

(2) a master's degree in another discipline with a concentration that required completion of a minimum of 18 graduate semester hours in the discipline that is the subject of the course; or

(3) for a course that is offered in an associate degree program and that is not designed for transfer to a baccalaureate degree program:

(A) a degree described by Subdivision (1) or (2);

(B) a baccalaureate degree in the discipline that is the subject of the course; or

(C) an associate degree and demonstrated competencies in the discipline that is the subject of the course, as determined by the Texas Higher Education Coordinating Board.

(h) Not later than the 60th day after receipt, a public junior college shall approve or reject an application for approval to teach a course at a high school that is submitted by an instructor employed by the school district, organization, or other person that operates the high school with which the junior college entered into an agreement under this section to offer the course.

SECTION 8. Section 303.003(b-2), Labor Code, is amended to read as follows:

(b-2) In addition to the purposes described by Subsections (b) and (b-1), in each state fiscal biennium, an amount of money from the skills development fund not to exceed five percent of the amount of general revenue appropriated to the skills development fund for that biennium may be used as provided by this subsection. Funds available to the commission from other sources may also be used as provided by this subsection. Funds may be awarded under this subsection to a lower-division institution of higher education to be used under an agreement with a school district, or to a school district to be used under an agreement with a lower-division institution of higher education, to support courses offered for joint high school and college-level credit or offered under a college credit career or technical education program that leads to an industry-recognized license, credential, or certificate. Appropriate uses of funds

awarded under this subsection include purchasing or repairing necessary equipment for a course and developing a course curriculum. A course or program supported under this subsection must:

(1) have the endorsement of, or a letter of support from, at least one employer in this state; and

(2) be targeted to address the needs of high-demand fields or occupations, as identified by the applicable local workforce development board.

SECTION 9. Section 28.016, Education Code, as added by this Act, applies beginning with the 2015-2016 school year.

SECTION 10. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

Representative Aycock moved to adopt the conference committee report on **HB 18**.

The motion to adopt the conference committee report on **HB 18** prevailed by (Record 1805): 135 Yeas, 8 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schofield; Schubert; Sheets; Sheffield; Simmons; Smith; Smithee; Spitzer; Springer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Krause; Rinaldi; Schaefer; Shaheen; Simpson; Stickland; Tinderholt; White, M.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Dutton.

#### **HB 408 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative C. Turner submitted the following conference committee report on **HB 408**:

Austin, Texas, May 30, 2015



The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 408** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Menéndez  
Creighton  
Zaffirini

C. Turner  
Flynn  
J. Rodriguez  
S. Davis  
Cook

On the part of the senate

On the part of the house

**HB 408**, A bill to be entitled An Act relating to the retirement benefits for certain elected state officials.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 813.503, Government Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) Subject to Subsection (a-1), a [A] member may establish in, or have transferred to, the employee class all service credited in the elected class, if the contributions made to establish the service in the elected class equal or exceed contributions required of a member of the employee class for the same amount of service during the same time and at the same rate of compensation. Subject to Subsection (a-1), a [A] member or retiree who has, or had at the time of retirement, at least eight years of service credit in the elected class of membership, exclusive of military service, may transfer service credit between classes before or after retirement.

(a-1) A member or retiree who takes the oath of office for a position included in the elected class of membership, other than a district attorney or criminal district attorney, may not transfer service to the employee class under Subsection (a) until the person no longer holds that position.

SECTION 2. Section 814.104, Government Code, is amended by amending Subsections (a) and (d) and adding Subsection (e) to read as follows:

(a) Except as provided by Subsections [Subsection] (d) and (e) of this section, Section 814.102, or by rule adopted under Section 813.304(d) or 803.202(a)(2), a member who has service credit in the retirement system is eligible to retire and receive a service retirement annuity if the member:

(1) is at least 60 years old and has at least 5 years of service credit in the employee class; or

(2) has at least 5 years of service credit in the employee class and the sum of the member's age and amount of service credit in the employee class, including months of age and credit, equals or exceeds the number 80.

(d) Except as provided by Subsection (e) of this section, Section 814.102, or by rule adopted under Section 813.304(d) or 803.202(a)(2), a member who was not a member on the date hired, was hired on or after September 1, 2009, and has service credit in the retirement system is eligible to retire and receive a service retirement annuity if the member:

(1) is at least 65 years old and has at least 10 years of service credit in the employee class; or

(2) has at least 10 years of service credit in the employee class and the sum of the member's age and amount of service credit in the employee class, including months of age and credit, equals or exceeds the number 80.

(e) A member who takes the oath of office for a position included in the elected class of membership, other than a district attorney or criminal district attorney, is not eligible to retire and receive a service retirement annuity under this section that is based on service credit transferred to the employee class from the elected class under Section 813.503 until the member no longer holds that position. This provision does not prohibit a member from retiring and receiving a service retirement annuity under this section that is based on service credit earned in a position included in the employee class of membership under Section 812.003.

SECTION 3. The change in law made by this Act applies only to a person included in the elected class of membership on or after the effective date of this Act, other than a person who, on the effective date of this Act, is receiving a service retirement annuity based on service transferred to the employee class.

SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

Representative C. Turner moved to adopt the conference committee report on **HB 408**.

The motion to adopt the conference committee report on **HB 408** prevailed by (Record 1806): 143 Yeas, 1 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen;

Sheets; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Stephenson.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes.

### **HB 2804 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Aycock submitted the following conference committee report on **HB 2804**:

Austin, Texas, May 30, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 2804** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

L. Taylor	Aycock
Bettencourt	Ashby
Campbell	Darby
Huffines	Dutton
Lucio	K. King
On the part of the senate	On the part of the house

**HB 2804**, A bill to be entitled An Act relating to evaluation of public school performance.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. The heading to Section 39.053, Education Code, is amended to read as follows:

Sec. 39.053. PERFORMANCE INDICATORS: [~~STUDENT~~] ACHIEVEMENT.

SECTION 2. Section 39.053, Education Code, is amended by amending Subsections (a), (b), (c), (f), (g), and (g-1) and adding Subsection (a-1) to read as follows:

(a) The commissioner shall adopt a set of indicators of the quality of learning and [~~student~~] achievement. The commissioner biennially shall review the indicators for the consideration of appropriate revisions.

(a-1) The indicators adopted by the commissioner under Subsection (a), including the indicators identified under Subsection (c), must measure and evaluate school districts and campuses with respect to:

(1) improving student preparedness for success in:  
(A) subsequent grade levels; and  
(B) entering the workforce, the military, or postsecondary education;

(2) reducing, with the goal of eliminating, student academic achievement differentials among students from different racial and ethnic groups and socioeconomic backgrounds; and

(3) informing parents and the community regarding campus and district performance in the domains described by Subsection (c) and, for the domain described by Subsection (c)(5), in accordance with local priorities and preferences.

(b) Performance on the [student] achievement indicators adopted under Subsections (c)(1)-(4) ~~[this section]~~ shall be compared to state-established standards. The indicators must be based on information that is disaggregated by race, ethnicity, and socioeconomic status.

(c) School districts and campuses must be evaluated based on five domains of indicators ~~[Indicators]~~ of [student] achievement adopted under this section ~~that~~ ~~[must]~~ include:

(1) in the first domain, the results of:

(A) assessment instruments required under Sections 39.023(a), (c), and (l), including the results of assessment instruments required for graduation retaken by a student, aggregated across grade levels by subject area, including:

(i) ~~[(A)]~~ for the performance standard determined by the commissioner under Section 39.0241(a),[~~+~~

~~[(+)]~~ the percentage of students who performed satisfactorily on the assessment instruments, aggregated across grade levels by subject area; and

(ii) ~~[for students who did not perform satisfactorily, the percentage of students who met the standard for annual improvement, as determined by the agency under Section 39.034, on the assessment instruments, aggregated across grade levels by subject area; and~~

~~[(B)]~~ for the college readiness performance standard as determined under Section 39.0241,[~~+~~

~~[(+)]~~ the percentage of students who performed satisfactorily on the assessment instruments, aggregated across grade levels by subject area; and

(B) assessment instruments required under Section 39.023(b), aggregated across grade levels by subject area, including the percentage of students who performed satisfactorily on the assessment instruments, as determined by the performance standard adopted by the agency, aggregated across grade levels by subject area;

(2) in the second domain:

(A) for assessment instruments under Subdivision (1)(A):

(i) for the performance standard determined by the commissioner under Section 39.0241(a), the percentage of students who met the standard for annual improvement on the assessment instruments, as determined by the commissioner by rule or by the method for measuring annual improvement under Section 39.034, aggregated across grade levels by subject area; and

(ii) for the college readiness performance standard as determined under Section 39.0241, the percentage of students who met the standard for annual improvement on the assessment instruments, as determined by the commissioner by rule or by the method for measuring annual improvement under Section 39.034, aggregated across grade levels by subject area; and

(B) for assessment instruments under Subdivision (1)(B), the percentage of students who met the standard for annual improvement on the assessment instruments, as determined by the commissioner by rule or by the method for measuring annual improvement under Section 39.034, aggregated across grade levels by subject area;

(3) in the third domain, the student academic achievement differentials among students from different racial and ethnic groups and socioeconomic backgrounds;

(4) in the fourth domain:

(A) for evaluating the performance of high school campuses and districts that include high school campuses:

(i) ~~[(ii) for students who did not perform satisfactorily, the percentage of students who met the standard for annual improvement, as determined by the agency under Section 39.034, on the assessment instruments, aggregated across grade levels by subject area;~~

~~[(2)] dropout rates, including dropout rates and district completion rates for grade levels 9 through 12, computed in accordance with standards and definitions adopted by the National Center for Education Statistics of the United States Department of Education;~~

(ii) ~~[(3)] high school graduation rates, computed in accordance with standards and definitions adopted in compliance with the No Child Left Behind Act of 2001 (20 U.S.C. Section 6301 et seq.);~~

(iii) ~~[(4)] the percentage of students who successfully completed the curriculum requirements for the distinguished level of achievement under the foundation high school program;~~

(iv) ~~[(5)] the percentage of students who successfully completed the curriculum requirements for an endorsement under Section 28.025(c-1); ~~and~~~~

(v) the percentage of students who completed a coherent sequence of career and technical courses;

(vi) ~~[(6) at least three additional indicators of student achievement to evaluate district and campus performance, which must include either:~~

~~[(A)] the percentage of students who satisfy the Texas Success Initiative (TSI) college readiness benchmarks prescribed by the Texas Higher Education Coordinating Board under Section 51.3062(f) on an assessment instrument in reading, writing, or mathematics designated by the Texas Higher Education Coordinating Board under Section 51.3062(c); ~~or~~~~

(vii) ~~[(B)] the percentage ~~number~~ of students who earn[:~~

~~[(i)]~~ at least 12 hours of postsecondary credit required for the foundation high school program under Section 28.025 or to earn an endorsement under Section 28.025(c-1);

(viii) the percentage of students who have completed an advanced placement course;

(ix) the percentage of students who enlist in the armed forces of the United States; and

(x) the percentage of students who earn ~~[(ii) at least 30 hours of postsecondary credit required for the foundation high school program under Section 28.025 or to earn an endorsement under Section 28.025(c-1);~~

~~[(iii) an associate's degree; or~~

~~[(iv)] an industry certification;~~

(B) for evaluating the performance of middle and junior high school and elementary school campuses and districts that include those campuses:

(i) student attendance; and

(ii) for middle and junior high school campuses:

(a) dropout rates, computed in the manner described by Paragraph (A)(i); and

(b) the percentage of students in grades seven and eight who receive instruction in preparing for high school, college, and a career that includes information regarding the creation of a high school personal graduation plan under Section 28.02121, the distinguished level of achievement described by Section 28.025(b-15), each endorsement described by Section 28.025(c-1), college readiness standards, and potential career choices and the education needed to enter those careers; and

(C) any additional indicators of student achievement not associated with performance on standardized assessment instruments determined appropriate for consideration by the commissioner in consultation with educators, parents, business and industry representatives, and employers; and

(5) in the fifth domain, three programs or specific categories of performance related to community and student engagement locally selected and evaluated as provided by Section 39.0546.

(f) Annually, the commissioner shall define the state standard for the current school year for each ~~[student]~~ achievement indicator described by Subsections (c)(1)-(4) ~~[Subsection (e)]~~ and shall project the state standards for each indicator for the following two school years. The commissioner shall periodically raise the state standards for the college readiness ~~[student]~~ achievement indicator described by Subsection (c)(1)(A)(ii) ~~[(c)(1)(B)(i)]~~ for accreditation as necessary to reach the goals of achieving, by not later than the 2019-2020 school year:

(1) student performance in this state, disaggregated by race, ethnicity, and socioeconomic status, that ranks nationally in the top 10 states in terms of college readiness; and

(2) student performance~~[-]~~ with no significant achievement gaps by race, ethnicity, and socioeconomic status.

(g) In defining the required state standard for the dropout rate indicator described by Subsections (c)(4)(A)(i) and (B)(ii)(a) [Subsection (c)(2)], the commissioner may not consider as a dropout a student whose failure to attend school results from:

- (1) the student's expulsion under Section 37.007; and
- (2) as applicable:

(A) adjudication as having engaged in delinquent conduct or conduct indicating a need for supervision, as defined by Section 51.03, Family Code; or

(B) conviction of and sentencing for an offense under the Penal Code.

(g-1) In computing dropout and completion rates under Subsections (c)(4)(A)(i) and (B)(ii)(a) [Subsection (c)(2)], the commissioner shall exclude:

(1) students who are ordered by a court to attend a high school equivalency certificate program but who have not yet earned a high school equivalency certificate;

(2) students who were previously reported to the state as dropouts, including a student who is reported as a dropout, reenrolls, and drops out again, regardless of the number of times of reenrollment and dropping out;

(3) students in attendance who are not in membership for purposes of average daily attendance;

(4) students whose initial enrollment in a school in the United States in grades 7 through 12 was as unschooled refugees or asylees as defined by Section 39.027(a-1);

(5) students who are in the district exclusively as a function of having been detained at a county detention facility but are otherwise not students of the district in which the facility is located; and

(6) students who are incarcerated in state jails and federal penitentiaries as adults and as persons certified to stand trial as adults.

SECTION 3. Effective September 1, 2015, Subchapter C, Chapter 39, Education Code, is amended by adding Section 39.0535 to read as follows:

Sec. 39.0535. TEMPORARY PROVISION: ASSIGNMENT OF PERFORMANCE RATINGS. (a) Notwithstanding any other law, the commissioner shall assign each district and campus a performance rating not later than August 15 of each year.

(b) This section expires September 1, 2016.

SECTION 4. Effective September 1, 2016, Section 39.054(a), Education Code, is amended to read as follows:

(a) The commissioner shall adopt rules to evaluate school district and campus performance and assign each district and campus a performance rating [of A, B, C, D, or F]. In adopting rules under this subsection, the commissioner shall determine the criteria for each [designated letter] performance rating. [A district performance rating of A, B, or C reflects acceptable performance and a district performance rating of D or F reflects unacceptable performance. The commissioner shall also assign each campus a performance rating of exemplary, recognized, acceptable, or unacceptable. A campus performance rating of

~~exemplary, recognized, or acceptable reflects acceptable performance, and a campus performance rating of unacceptable reflects unacceptable performance. A district may not receive a performance rating of A if the district includes any campus with a performance rating of unacceptable.~~] Not later than August 15 [8] of each year, the performance rating of each district and campus shall be made publicly available as provided by rules adopted under this subsection. If a district or campus received a performance rating that reflected unacceptable performance for the preceding school year, the commissioner shall notify the district of a subsequent such designation on or before June 15.

SECTION 5. Effective September 1, 2017, Section 39.054, Education Code, is amended by amending Subsections (a), (c), (e), and (f) and adding Subsections (a-1), (a-2), and (a-3) to read as follows:

(a) The commissioner shall adopt rules to evaluate school district and campus performance and assign each district and campus an overall [a] performance rating of A, B, C, D, or F. In addition to the overall performance rating, the commissioner shall assign each district and campus a separate domain performance rating of A, B, C, D, or F for each domain under Sections 39.053(c)(1)-(4). An overall or domain [In adopting rules under this subsection, the commissioner shall determine the criteria for each designated letter performance rating. A district] performance rating of A reflects exemplary performance. An overall or domain performance rating of B reflects recognized performance. An overall or domain performance rating of [, B, or] C reflects acceptable performance. An overall or domain [and a district] performance rating of D or F reflects unacceptable performance. ~~[The commissioner shall also assign each campus a performance rating of exemplary, recognized, acceptable, or unacceptable. A campus performance rating of exemplary, recognized, or acceptable reflects acceptable performance, and a campus performance rating of unacceptable reflects unacceptable performance.]~~ A district may not receive an overall or domain [a] performance rating of A if the district includes any campus with a corresponding overall or domain performance rating of D or F [unacceptable]. A reference in law to an acceptable rating or acceptable performance includes an overall or domain performance rating of A, B, or C or exemplary, recognized, or acceptable performance.

(a-1) For purposes of assigning an overall performance rating under Subsection (a), the commissioner shall attribute:

(1) 55 percent of the performance evaluation to the achievement indicators for the first, second, and third domains under Sections 39.053(c)(1)-(3);

(2) for middle and junior high school and elementary campuses and districts that include only those campuses, 35 percent of the performance evaluation to the applicable achievement indicators for the fourth domain under Section 39.053(c)(4);

(3) for high school campuses and districts that include those campuses:

(A) 10 percent of the performance evaluation to the high school graduation rate achievement indicator described by Section 39.053(c)(4)(A)(ii); and



(B) 25 percent to the remaining applicable achievement indicators for the fourth domain under Section 39.053(c)(4); and

(4) 10 percent of the performance evaluation to the locally selected and evaluated achievement indicators provided for under the fifth domain under Section 39.053(c)(5).

(a-2) The commissioner by rule shall adopt procedures to ensure that a repeated performance rating of D or F or unacceptable in one domain, particularly performance that is not significantly improving, is reflected in the overall performance rating of a district or campus and is not compensated for by a performance rating of A, B, or C in another domain.

(a-3) Not later than August 15 [8] of each year, the performance ratings [rating] of each district and campus shall be made publicly available as provided by rules adopted under this section [subsection]. If a district or campus received an overall or domain [a] performance rating of D or F [that reflected unacceptable performance] for the preceding school year, the commissioner shall notify the district of a subsequent such designation on or before June 15.

(c) In evaluating school district and campus performance on the [student] achievement indicators for student performance on assessment instruments [indicators] adopted under Sections 39.053(c)(1) and (2) and the dropout rate indicator adopted under Sections 39.053(c)(4)(A)(i) and (B)(ii)(a), the commissioner shall define acceptable performance as meeting the state standard determined by the commissioner under Section 39.053(f) [39.053(e)] for the current school year based on:

(1) student performance in the current school year; or

(2) student performance as averaged over the current school year and the preceding two school years.

(e) Each annual performance review under this section shall include an analysis of the [student] achievement indicators adopted under Sections 39.053(c)(1)-(4) [Section 39.053(e)] to determine school district and campus performance in relation to:

[~~(1)~~] standards established for each indicator[; and

[~~(2)~~] required improvement as defined under Section 39.053(e)].

(f) In the computation of dropout rates under Sections 39.053(c)(4)(A)(i) and (B)(ii)(a) [Section 39.053(e)(2)], a student who is released from a juvenile pre-adjudication secure detention facility or juvenile post-adjudication secure correctional facility and fails to enroll in school or a student who leaves a residential treatment center after receiving treatment for fewer than 85 days and fails to enroll in school may not be considered to have dropped out from the school district or campus serving the facility or center unless that district or campus is the one to which the student is regularly assigned. The agency may not limit an appeal relating to dropout computations under this subsection.

SECTION 6. Sections 39.0545(b), (c), and (d), Education Code, as added by Chapter 167 (**SB 1538**), Acts of the 83rd Legislature, Regular Session, 2013, are amended to read as follows:

(b) Notwithstanding Section 39.053(c)(4)(A)(i) [39.053(e)(2)], the commissioner shall use the alternative completion rate under this subsection to determine the dropout rate [student achievement] indicator under Section 39.053(c)(4)(A)(i) [39.053(e)(2)] for a dropout recovery school. The alternative completion rate shall be the ratio of the total number of students who graduate, continue attending school into the next academic year, or receive a high school equivalency certificate to the total number of students in the longitudinal cohort of students.

(c) Notwithstanding Section 39.053(c)(4)(A)(i) [39.053(e)(2)], in determining the performance rating under Section 39.054 of a dropout recovery school, the commissioner shall include any student described by Section 39.053(g-1) who graduates or receives a high school equivalency certificate.

(d) Notwithstanding Section 39.053(c), for purposes of evaluating [For] a dropout recovery school under the accountability procedures adopted by the commissioner to determine the performance rating of the school under Section 39.054:

(1)[5] only the best result from the primary administration or [and] any retake of an assessment instrument administered to a student in the school year evaluated [under the accountability procedures adopted by the commissioner] may be considered; and

(2) only a student enrolled continuously for at least 90 days during the school year evaluated may be considered [in determining the performance rating of the school under Section 39.054].

SECTION 7. Subchapter C, Chapter 39, Education Code, is amended by adding Section 39.0546 to read as follows:

Sec. 39.0546. PERFORMANCE IN COMMUNITY AND STUDENT ENGAGEMENT AS COMPONENT OF OVERALL DISTRICT AND CAMPUS RATING. (a) For purposes of including the local evaluation of districts and campuses under Section 39.053(c)(5) and assigning an overall rating under Section 39.054, before the beginning of each school year:

(1) each school district shall:

(A) select and report to the agency three programs or categories under Section 39.0545(b)(1), as added by Chapter 211 (HB 5), Acts of the 83rd Legislature, Regular Session, 2013, under which the district will evaluate district performance;

(B) submit to the agency the criteria the district will use to evaluate district performance and assign the district a performance rating; and

(C) make the information described by Paragraphs (A) and (B) available on the district's Internet website; and

(2) each campus shall:

(A) select and report to the agency three programs or categories under Section 39.0545(b)(1), as added by Chapter 211 (HB 5), Acts of the 83rd Legislature, Regular Session, 2013, under which the campus will evaluate campus performance;

(B) submit to the agency the criteria the campus will use to evaluate campus performance and assign the campus a performance rating; and

(C) make the information described by Paragraphs (A) and (B) available on the Internet website of the campus.

(b) Based on the evaluation under this section, each school district shall assign the district and each campus shall assign the campus a performance rating of A, B, C, D, or F, for both overall performance and for each program or category evaluated. An overall or a program or category performance rating of A reflects exemplary performance. An overall or a program or category performance rating of B reflects recognized performance. An overall or a program or category performance rating of C reflects acceptable performance. An overall or a program or category performance rating of D or F reflects unacceptable performance.

(c) On or before the date determined by the commissioner by rule, each school district and campus shall report each performance rating to the agency for the purpose of including the rating in evaluating school district and campus performance and assigning an overall rating under Section 39.054.

SECTION 8. Chapter 39, Education Code, is amended by adding Subchapter N to read as follows:

SUBCHAPTER N. TEXAS COMMISSION ON NEXT GENERATION

ASSESSMENTS AND ACCOUNTABILITY

Sec. 39.501. DEFINITION. In this subchapter, "commission" means the Texas Commission on Next Generation Assessments and Accountability.

Sec. 39.502. TEXAS COMMISSION ON NEXT GENERATION ASSESSMENTS AND ACCOUNTABILITY. (a) The Texas Commission on Next Generation Assessments and Accountability is established to develop and make recommendations for new systems of student assessment and public school accountability.

(b) The commission is composed of 15 members, consisting of the following:

- (1) four members appointed by the governor;
- (2) three members appointed by the lieutenant governor;
- (3) three members appointed by the speaker of the house of representatives;
- (4) the chair of the senate committee on education, or a representative designated by the chair;
- (5) the chair of the senate committee on higher education, or a representative designated by the chair;
- (6) the chair of the house of representatives committee on public education, or a representative designated by the chair;
- (7) the chair of the house of representatives committee on higher education, or a representative designated by the chair; and
- (8) a member of the State Board of Education, as designated by the chair of that board.

(c) In making appointments under Subsections (b)(1), (2), and (3), the governor, lieutenant governor, and speaker of the house of representatives shall coordinate to ensure that the commission includes at least one of each of the following representatives:

(1) a parent or person standing in parental relation to a student enrolled in the public school system;  
(2) an educator in the public school system;  
(3) an educator in a school district that is a participant in the Texas High Performance Schools Consortium under Section 7.0561;  
(4) a member of the business community;  
(5) a member of the civic community;  
(6) a leader in student assessment development and use; and  
(7) a leader in research concerning student assessment and education outcomes.

Sec. 39.503. PRESIDING OFFICER. The governor shall designate the presiding officer of the commission.

Sec. 39.504. COMPENSATION AND REIMBURSEMENT. A member of the commission is not entitled to compensation for service on the commission but is entitled to reimbursement for actual and necessary expenses incurred in performing commission duties.

Sec. 39.505. ADMINISTRATIVE SUPPORT AND FUNDING. (a) Staff members of the agency shall provide administrative support for the commission.

(b) Funding for the administrative and operational expenses of the commission shall be provided by appropriation to the agency for that purpose.

Sec. 39.506. RECOMMENDATIONS. The commission shall develop recommendations under this subchapter to address:

(1) the purpose of a state accountability system and the role of student assessment in that system;

(2) opportunities to assess students that:

(A) provide actionable information for a parent or person standing in parental relation to a student, an educator, and the public;

(B) support learning activities;

(C) recognize application of skills and knowledge;

(D) measure student educational growth toward mastery; and

(E) value critical thinking;

(3) alignment of state performance standards with college and career readiness requirements in collaboration with the Texas Workforce Commission and Texas Higher Education Coordinating Board;

(4) policy changes necessary to enable a student to progress through subject matter and grade levels on demonstration of mastery; and

(5) policy changes necessary to establish a student assessment and public school accountability system that meets state goals, is community based, promotes parent and community involvement, and reflects the unique needs of each community.

Sec. 39.507. REPORT. (a) The commission shall prepare and deliver a report to the governor and the legislature that recommends statutory changes to improve systems of student assessment and public school accountability not later than September 1, 2016.

(b) In preparing the report, the commission shall consider the recommendations of the Texas High Performance Schools Consortium established under Section 7.0561, including recommendations related to innovative, next-generation learning standards and assessment and accountability systems.

Sec. 39.508. PUBLIC MEETINGS AND PUBLIC INFORMATION.

(a) The commission may hold public meetings as needed to fulfill its duties under this subchapter.

(b) The commission is subject to Chapters 551 and 552, Government Code.

Sec. 39.509. COMMISSION ABOLISHED; EXPIRATION OF SUBCHAPTER. (a) The commission is abolished January 1, 2017.

(b) This subchapter expires January 1, 2017.

SECTION 9. Section 11.252(a), Education Code, is amended to read as follows:

(a) Each school district shall have a district improvement plan that is developed, evaluated, and revised annually, in accordance with district policy, by the superintendent with the assistance of the district-level committee established under Section 11.251. The purpose of the district improvement plan is to guide district and campus staff in the improvement of student performance for all student groups in order to attain state standards in respect to the [student] achievement indicators adopted under Sections 39.053(c)(1)-(4) [Section 39.053]. The district improvement plan must include provisions for:

(1) a comprehensive needs assessment addressing district student performance on the [student] achievement indicators, and other appropriate measures of performance, that are disaggregated by all student groups served by the district, including categories of ethnicity, socioeconomic status, sex, and populations served by special programs, including students in special education programs under Subchapter A, Chapter 29;

(2) measurable district performance objectives for all appropriate [student] achievement indicators for all student populations, including students in special education programs under Subchapter A, Chapter 29, and other measures of student performance that may be identified through the comprehensive needs assessment;

(3) strategies for improvement of student performance that include:

(A) instructional methods for addressing the needs of student groups not achieving their full potential;

(B) methods for addressing the needs of students for special programs, including:

(i) suicide prevention programs, in accordance with Subchapter O-1, Chapter 161, Health and Safety Code, which includes a parental or guardian notification procedure;

(ii) conflict resolution programs;

(iii) violence prevention programs; and

(iv) dyslexia treatment programs;

(C) dropout reduction;

- (D) integration of technology in instructional and administrative programs;
  - (E) discipline management;
  - (F) staff development for professional staff of the district;
  - (G) career education to assist students in developing the knowledge, skills, and competencies necessary for a broad range of career opportunities; and
  - (H) accelerated education;
- (4) strategies for providing to middle school, junior high school, and high school students, those students' teachers and school counselors, and those students' parents information about:
- (A) higher education admissions and financial aid opportunities;
  - (B) the TEXAS grant program and the Teach for Texas grant program established under Chapter 56;
  - (C) the need for students to make informed curriculum choices to be prepared for success beyond high school; and
  - (D) sources of information on higher education admissions and financial aid;
- (5) resources needed to implement identified strategies;
  - (6) staff responsible for ensuring the accomplishment of each strategy;
  - (7) timelines for ongoing monitoring of the implementation of each improvement strategy;
  - (8) formative evaluation criteria for determining periodically whether strategies are resulting in intended improvement of student performance; and
  - (9) the policy under Section 38.0041 addressing sexual abuse and other maltreatment of children.

SECTION 10. Sections 11.253(c) and (d), Education Code, are amended to read as follows:

(c) Each school year, the principal of each school campus, with the assistance of the campus-level committee, shall develop, review, and revise the campus improvement plan for the purpose of improving student performance for all student populations, including students in special education programs under Subchapter A, Chapter 29, with respect to the [student] achievement indicators adopted under Sections 39.053(c)(1)-(4) [~~Section 39.053~~] and any other appropriate performance measures for special needs populations.

(d) Each campus improvement plan must:

- (1) assess the academic achievement for each student in the school using the [student] achievement indicator system as described by Section 39.053;
- (2) set the campus performance objectives based on the [student] achievement indicator system, including objectives for special needs populations, including students in special education programs under Subchapter A, Chapter 29;
- (3) identify how the campus goals will be met for each student;
- (4) determine the resources needed to implement the plan;
- (5) identify staff needed to implement the plan;
- (6) set timelines for reaching the goals;

(7) measure progress toward the performance objectives periodically to ensure that the plan is resulting in academic improvement;

(8) include goals and methods for violence prevention and intervention on campus;

(9) provide for a program to encourage parental involvement at the campus; and

(10) if the campus is an elementary, middle, or junior high school, set goals and objectives for the coordinated health program at the campus based on:

(A) student fitness assessment data, including any data from research-based assessments such as the school health index assessment and planning tool created by the federal Centers for Disease Control and Prevention;

(B) student academic performance data;

(C) student attendance rates;

(D) the percentage of students who are educationally disadvantaged;

(E) the use and success of any method to ensure that students participate in moderate to vigorous physical activity as required by Section 28.002(l); and

(F) any other indicator recommended by the local school health advisory council.

SECTION 11. Section 12.1013(c), Education Code, is amended to read as follows:

(c) The report must include the performance of each public school in each class described by Subsection (b) as measured by the ~~[student]~~ achievement indicators adopted under Sections 39.053(c)(1)-(4) ~~[Section 39.053]~~ and student attrition rates.

SECTION 12. Section 29.062(a), Education Code, is amended to read as follows:

(a) The legislature recognizes that compliance with this subchapter is an imperative public necessity. Therefore, in accordance with the policy of the state, the agency shall evaluate the effectiveness of programs under this subchapter based on the ~~[student]~~ achievement indicators adopted under Sections 39.053(c)(1)-(4) ~~[Section 39.053]~~, including the results of assessment instruments. The agency may combine evaluations under this section with federal accountability measures concerning students of limited English proficiency.

SECTION 13. Section 39.023(a-8), Education Code, as effective on or before September 1, 2015, is amended to read as follows:

(a-8) A school district or open-enrollment charter school may, for its own use in determining whether students are performing at a satisfactory level, administer to a student at the appropriate grade level, other than a student required to be assessed, an assessment instrument developed for purposes of Subsection (a-4), (a-5), or (a-6). At the request of a district or open-enrollment charter school, the agency shall provide, allow for the administration of, and score each assessment instrument administered under this subsection in the same manner and at the same cost as for assessment instruments required to be

administered under the applicable subsection. The results of an assessment instrument administered under this subsection may not be included as an indicator of ~~[student]~~ achievement under Section 39.053 or any other provision.

SECTION 14. Section 39.052(b), Education Code, is amended to read as follows:

(b) In determining the accreditation status of a school district, the commissioner:

(1) shall evaluate and consider:

(A) performance on ~~[student]~~ achievement indicators described by Section 39.053(c); and

(B) performance under the financial accountability rating system developed under Subchapter D; and

(2) may evaluate and consider:

(A) the district's compliance with statutory requirements and requirements imposed by rule of the commissioner or State Board of Education under specific statutory authority that relate to:

(i) reporting data through the Public Education Information Management System (PEIMS) or other reports required by state or federal law or court order;

(ii) the high school graduation requirements under Section 28.025; or

(iii) an item listed under Sections 7.056(e)(3)(C)-(I) that applies to the district;

(B) the effectiveness of the district's programs for special populations; and

(C) the effectiveness of the district's career and technology program.

SECTION 15. Section 39.055, Education Code, is amended to read as follows:

Sec. 39.055. STUDENT ORDERED BY A JUVENILE COURT OR STUDENT IN RESIDENTIAL FACILITY NOT CONSIDERED FOR ACCOUNTABILITY PURPOSES. Notwithstanding any other provision of this code except to the extent otherwise provided under Section 39.054(f), for purposes of determining the performance of a school district, campus, or open-enrollment charter school under this chapter, a student ordered by a juvenile court into a residential program or facility operated by or under contract with the Texas Juvenile Justice Department, a juvenile board, or any other governmental entity or any student who is receiving treatment in a residential facility is not considered to be a student of the school district in which the program or facility is physically located or of an open-enrollment charter school, as applicable. The performance of such a student on an assessment instrument or other ~~[student]~~ achievement indicator adopted under Section 39.053 or reporting indicator adopted under Section 39.301 shall be determined, reported, and considered separately from the performance of students attending a school of the district in which the program or facility is physically located or an open-enrollment charter school, as applicable.



SECTION 16. Section 39.056(b), Education Code, is amended to read as follows:

(b) The commissioner shall determine the frequency of on-site investigations by the agency according to annual comprehensive analyses of student performance and equity in relation to the ~~[student]~~ achievement indicators adopted under Section 39.053.

SECTION 17. Section 39.102(a), Education Code, is amended to read as follows:

(a) If a school district does not satisfy the accreditation criteria under Section 39.052, the academic performance standards under Section 39.053 or 39.054, or any financial accountability standard as determined by commissioner rule, the commissioner shall take any of the following actions to the extent the commissioner determines necessary:

- (1) issue public notice of the deficiency to the board of trustees;
- (2) order a hearing conducted by the board of trustees of the district for the purpose of notifying the public of the insufficient performance, the improvements in performance expected by the agency, and the interventions and sanctions that may be imposed under this section if the performance does not improve;
- (3) order the preparation of a student achievement improvement plan that addresses each academic ~~[student]~~ achievement indicator under Section 39.053(c) for which the district's performance is insufficient, the submission of the plan to the commissioner for approval, and implementation of the plan;
- (4) order a hearing to be held before the commissioner or the commissioner's designee at which the president of the board of trustees of the district and the superintendent shall appear and explain the district's low performance, lack of improvement, and plans for improvement;
- (5) arrange an on-site investigation of the district;
- (6) appoint an agency monitor to participate in and report to the agency on the activities of the board of trustees or the superintendent;
- (7) appoint a conservator to oversee the operations of the district;
- (8) appoint a management team to direct the operations of the district in areas of insufficient performance or require the district to obtain certain services under a contract with another person;
- (9) if a district has a current accreditation status of accredited-warned or accredited-probation, fails to satisfy any standard under Section 39.054(e), or fails to satisfy financial accountability standards as determined by commissioner rule, appoint a board of managers to exercise the powers and duties of the board of trustees;
- (10) if for two consecutive school years, including the current school year, a district has received an accreditation status of accredited-warned or accredited-probation, has failed to satisfy any standard under Section 39.054(e), or has failed to satisfy financial accountability standards as determined by commissioner rule, revoke the district's accreditation and:

(A) order closure of the district and annex the district to one or more adjoining districts under Section 13.054; or

(B) in the case of a home-rule school district or open-enrollment charter school, order closure of all programs operated under the district's or school's charter; or

(11) if a district has failed to satisfy any standard under Section 39.054(e) due to the district's dropout rates, impose sanctions designed to improve high school completion rates, including:

(A) ordering the development of a dropout prevention plan for approval by the commissioner;

(B) restructuring the district or appropriate school campuses to improve identification of and service to students who are at risk of dropping out of school, as defined by Section 29.081;

(C) ordering lower student-to-counselor ratios on school campuses with high dropout rates; and

(D) ordering the use of any other intervention strategy effective in reducing dropout rates, including mentor programs and flexible class scheduling.

SECTION 18. Section 39.263(a), Education Code, is amended to read as follows:

(a) The criteria that the commissioner shall use to select successful schools and districts must be related to the goals in Section 4.002 and must include consideration of performance on the ~~[student]~~ achievement indicators adopted under Section 39.053(c) and consideration of the distinction designation criteria prescribed by or developed under Subchapter G.

SECTION 19. Section 39.301(b), Education Code, is amended to read as follows:

(b) Performance on the indicators adopted under this section shall be evaluated in the same manner provided for evaluation of the ~~[student]~~ achievement indicators under Sections 39.053(c)(1)-(4) ~~[Section 39.053(e)]~~.

SECTION 20. Section 39.305(b), Education Code, is amended to read as follows:

(b) The report card shall include the following information:

(1) where applicable, the ~~[student]~~ achievement indicators described by Section 39.053(c) and the reporting indicators described by Sections 39.301(c)(1) through (5);

(2) average class size by grade level and subject;

(3) the administrative and instructional costs per student, computed in a manner consistent with Section 44.0071; and

(4) the district's instructional expenditures ratio and instructional employees ratio computed under Section 44.0071, and the statewide average of those ratios, as determined by the commissioner.

SECTION 21. Sections 39.332(b)(2) and (20), Education Code, are amended to read as follows:

(2) The report must contain an evaluation of the status of education in the state as reflected by:

(A) the [~~student~~] achievement indicators described by Section 39.053; and

(B) the reporting indicators described by Section 39.301.

(20) The report must contain a comparison of the performance of open-enrollment charter schools and school districts on the [~~student~~] achievement indicators described by Section 39.053(c), the reporting indicators described by Section 39.301(c), and the accountability measures adopted under Section 39.053(i), with a separately aggregated comparison of the performance of open-enrollment charter schools predominantly serving students at risk of dropping out of school, as described by Section 29.081(d), with the performance of school districts.

SECTION 22. Sections 39.053(e) and 39.054(b), (d), and (d-1), Education Code, are repealed.

SECTION 23. Not later than December 1, 2016, the commissioner of education shall adopt the set of indicators to measure and evaluate school districts and campuses as required by Section 39.053, Education Code, as amended by this Act.

SECTION 24. Not later than January 1, 2017, the commissioner of education shall submit a report to the standing committees of the legislature having primary jurisdiction over primary and secondary education that provides for a preliminary evaluation of school districts and campuses under Section 39.054, Education Code. The report must include:

(1) the rating each school district and campus would have received for the first through fourth domains of indicators as provided by Sections 39.053(c)(1)-(4), Education Code, as amended by this Act, for the 2015-2016 school year if the indicators adopted by the commissioner of education under Section 39.053, Education Code, as amended by this Act, existed during the 2015-2016 school year; and

(2) the correlation between each designated letter performance rating the school district or campus would have received and the percentage of students at each district and campus:

(A) qualifying for the free or reduced-price breakfast under the national school breakfast programs provided for by the Child Nutrition Act of 1966 (42 U.S.C. Section 1773);

(B) that are students of limited English proficiency as defined by Section 29.052, Education Code; and

(C) disaggregated by race, ethnicity, and socioeconomic status used to assign ratings in the system.

SECTION 25. (a) Except as provided by Subsections (b), (c), and (d) of this section, this Act applies beginning with the 2017-2018 school year.

(b) Section 39.0535, Education Code, as added by this Act, applies beginning with the 2015-2016 school year.

(c) Section 39.054(a), Education Code, as amended by this Act effective September 1, 2016, applies beginning with the 2016-2017 school year.

(d) Subchapter N, Chapter 39, Education Code, as added by this Act, applies beginning with the effective date of this Act.

SECTION 26. Except as otherwise provided by this Act, this Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

Representative Aycock moved to adopt the conference committee report on **HB 2804**.

The motion to adopt the conference committee report on **HB 2804** prevailed by (Record 1807): 119 Yeas, 17 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Gonzales; Guerra; Guillen; Hernandez; Huberty; Hughes; Isaac; Johnson; Kacal; Keffer; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; McClendon; Metcalf; Meyer; Miller, D.; Miller, R.; Moody; Morrison; Murphy; Murr; Naishtat; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Pickett; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Anchia; Bernal; Blanco; Collier; Goldman; González; Gutierrez; Howard; Israel; Martinez Fischer; Muñoz; Nevárez; Price; Rodriguez, J.; Simmons; Simpson; Walle.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Coleman; Dukes; Harless; Herrero; Hunter; Keough; Krause; Miles; Phillips.

### STATEMENTS OF VOTE

When Record No. 1807 was taken, I was shown voting yes. I intended to vote no.

C. Anderson

When Record No. 1807 was taken, I was shown voting yes. I intended to vote no.

Y. Davis

When Record No. 1807 was taken, I was shown voting yes. I intended to vote no.

Farias

When Record No. 1807 was taken, I was shown voting no. I intended to vote yes.

Goldman

When Record No. 1807 was taken, I was in the house but away from my desk. I would have voted yes.

Harless

When Record No. 1807 was taken, I was in the house but away from my desk. I would have voted no.

Herrero

When Record No. 1807 was taken, I was in the house but away from my desk. I would have voted yes.

Hunter

When Record No. 1807 was taken, I was shown voting yes. I intended to vote no.

Johnson

When Record No. 1807 was taken, my vote failed to register. I would have voted yes.

Krause

When Record No. 1807 was taken, I was in the house but away from my desk. I would have voted yes.

Miles

When Record No. 1807 was taken, I was shown voting yes. I intended to vote no.

Moody

When Record No. 1807 was taken, my vote failed to register. I would have voted no.

Phillips

When Record No. 1807 was taken, I was shown voting no. I intended to vote yes.

Simmons

When Record No. 1807 was taken, I was shown voting yes. I intended to vote no.

S. Thompson

When Record No. 1807 was taken, I was shown voting yes. I intended to vote no.

C. Turner

When Record No. 1807 was taken, I was shown voting yes. I intended to vote no.

Wu

### **SB 1316 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Alvarado submitted the conference committee report on **SB 1316**.

Representative Alvarado moved to adopt the conference committee report on **SB 1316**.

The motion to adopt the conference committee report on **SB 1316** prevailed by (Record 1808): 120 Yeas, 22 Nays, 3 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Burkett; Burns; Burrows; Canales; Coleman; Collier; Cook; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Peña; Phelan; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simpson; Smith; Smithee; Spitzer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; Turner, S.; VanDeaver; Villalba; Vo; Walle; Wray; Wu; Zedler; Zerwas.

Nays — Bonnen, G.; Button; Capriglione; Clardy; Craddick; Dutton; Goldman; Hughes; Krause; Parker; Paul; Phillips; Rinaldi; Sanford; Schaefer; Simmons; Springer; Stickland; Tinderholt; Turner, E.S.; White, J.; White, M.

Present, not voting — Mr. Speaker; Bonnen, D.(C); Workman.

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Gonzales.

### **STATEMENTS OF VOTE**

When Record No. 1808 was taken, I was shown voting yes. I intended to vote no.

Bell

When Record No. 1808 was taken, I was shown voting yes. I intended to vote no.

Burns

When Record No. 1808 was taken, I was shown voting yes. I intended to vote no.

Cyrier

When Record No. 1808 was taken, I was shown voting yes. I intended to vote no.

Fallon

When Record No. 1808 was taken, I was shown voting yes. I intended to vote no.

Geren

When Record No. 1808 was taken, I was shown voting yes. I intended to vote no.

Hunter

When Record No. 1808 was taken, I was shown voting yes. I intended to vote no.

Larson

When Record No. 1808 was taken, I was shown voting yes. I intended to vote no.

Schofield

### **SB 1999 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Coleman submitted the conference committee report on **SB 1999**.

Representative Coleman moved to adopt the conference committee report on **SB 1999**.

The motion to adopt the conference committee report on **SB 1999** prevailed by (Record 1809): 142 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson;

Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Elkins; Gonzales.

### STATEMENT OF VOTE

When Record No. 1809 was taken, I was shown voting yes. I intended to vote no.

M. White

### HR 3479 - ADOPTED (by S. Thompson)

The following privileged resolution was laid before the house:

#### HR 3479

BE IT RESOLVED by the House of Representatives of the State of Texas, 84th Legislature, Regular Session, 2015, That House Rule 13, Section 9(a), be suspended in part as provided by House Rule 13, Section 9(f), to enable the conference committee appointed to resolve the differences on **SB 507** (the placement and use of video cameras in self-contained classrooms or other settings providing special education services) to consider and take action on the following matter:

House Rule 13, Section 9(a)(3), is suspended to permit the committee to add text on a matter which is not in disagreement by adding the following text to SECTION 2 of the bill, in added Section 29.022(c)(1), Education Code:  
the inside of

Explanation: This addition is necessary to clarify that the inside of a bathroom in a self-contained classroom or other special education setting may not be monitored by video cameras.

**HR 3479** was adopted by (Record 1810): 132 Yeas, 10 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Pickett; Price; Raney;



Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Smith; Smithee; Springer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; VanDeaver; Villalba; Vo; Walle; White, J.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Bell; Phillips; Rinaldi; Schaefer; Simpson; Spitzer; Stickland; Tinderholt; Turner, E.S.; White, M.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Frank; Turner, S.

### **SB 507 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative S. Thompson submitted the conference committee report on **SB 507**.

Representative S. Thompson moved to adopt the conference committee report on **SB 507**.

The motion to adopt the conference committee report on **SB 507** prevailed by (Record 1811): 140 Yeas, 3 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Bell; Craddick; Simpson.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Isaac.

### **HB 3736 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative S. Davis submitted the following conference committee report on **HB 3736**:

Austin, Texas, May 30, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 3736** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Huffman  
Creighton  
Nelson  
V. Taylor

On the part of the senate

Capriglione  
Geren  
C. Turner  
S. Davis

On the part of the house

**HB 3736**, A bill to be entitled An Act relating to conflicts of interest by members of state agency governing boards and governing officers and the contents and amendment of financial statements filed by certain persons; creating a criminal offense.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 572.023, Government Code, is amended by amending Subsections (a) and (b) and adding Subsection (e) to read as follows:

(a) A financial statement must include an account of the financial activity for the preceding calendar year of:

(1) any property characterized as separate property under Section 3.001, Family Code, of the individual required by this subchapter to file a financial statement;

(2) any community property of which the individual required by this subchapter to file a financial statement has sole management, control, and disposition as provided by Section 3.102(a), Family Code;

(3) any community property of the individual required by this subchapter to file a financial statement, if the individual exercised both factual and legal control over the activity; and

(4) [an account of the financial activity of] the individual's [spouse and] dependent children if the individual exercised or held the right to exercise any degree of legal or factual [had actual] control over that activity [for the preceding calendar year].

(b) The account of financial activity consists of:

(1) a list of all sources of occupational income, identified by employer, or if self-employed, by the nature of the occupation, including identification of a person or other organization from which the individual or a business in which the individual has a substantial interest received a fee as a retainer for a claim on future services in case of need, as distinguished from a fee for services on a matter specified at the time of contracting for or receiving the fee, if professional

or occupational services are not actually performed during the reporting period equal to or in excess of the amount of the retainer, and the category of the amount of the fee;

(2) identification by name and the category of the number of shares of stock of any business entity held or acquired, and if sold, the category of the amount of net gain or loss realized from the sale;

(3) a list of all bonds, notes, and other commercial paper held or acquired, and if sold, the category of the amount of net gain or loss realized from the sale;

(4) identification of each source and the category of the amount of income in excess of \$500 derived from each source from interest, dividends, royalties, and rents;

(5) identification of each guarantor of a loan and identification of each person or financial institution to whom a personal note or notes or lease agreement for a total financial liability in excess of \$1,000 existed at any time during the year and the category of the amount of the liability;

(6) identification by description of all beneficial interests in real property and business entities held or acquired, and if sold, the category of the amount of the net gain or loss realized from the sale;

(7) identification of a person or other organization from which the individual or the individual's spouse or dependent children received a gift of anything of value in excess of \$250 and a description of each gift, except:

(A) a gift received from an individual related to the individual at any time within the second degree by consanguinity or affinity, as determined under Subchapter B, Chapter 573;

(B) a political contribution that was reported as required by Chapter 254, Election Code; and

(C) an expenditure required to be reported by a person required to be registered under Chapter 305;

(8) identification of the source and the category of the amount of all income received as beneficiary of a trust, other than a blind trust that complies with Subsection (c), and identification of each trust asset, if known to the beneficiary, from which income was received by the beneficiary in excess of \$500;

(9) identification by description and the category of the amount of all assets and liabilities of a corporation, firm, partnership, limited partnership, limited liability partnership, professional corporation, professional association, joint venture, or other business association in which 50 percent or more of the outstanding ownership was held, acquired, or sold;

(10) a list of all boards of directors of which the individual is a member and executive positions that the individual holds in corporations, firms, partnerships, limited partnerships, limited liability partnerships, professional corporations, professional associations, joint ventures, or other business associations or proprietorships, stating the name of each corporation, firm,

partnership, limited partnership, limited liability partnership, professional corporation, professional association, joint venture, or other business association or proprietorship and the position held;

(11) identification of any person providing transportation, meals, or lodging expenses permitted under Section 36.07(b), Penal Code, and the amount of those expenses, other than expenditures required to be reported under Chapter 305;

(12) any corporation, firm, partnership, limited partnership, limited liability partnership, professional corporation, professional association, joint venture, or other business association, excluding a publicly held corporation, in which both the individual and a person registered under Chapter 305 have an interest;

(13) identification by name and the category of the number of shares of any mutual fund held or acquired, and if sold, the category of the amount of net gain or loss realized from the sale; ~~and~~

(14) identification of each blind trust that complies with Subsection (c), including:

- (A) the category of the fair market value of the trust;
- (B) the date the trust was created;
- (C) the name and address of the trustee; and
- (D) a statement signed by the trustee, under penalty of perjury,

stating that:

(i) the trustee has not revealed any information to the individual, except information that may be disclosed under Subdivision (8); and

(ii) to the best of the trustee's knowledge, the trust complies with this section;

(15) if the aggregate cost of goods or services sold under one or more written contracts described by this subdivision exceeds \$10,000 in the year covered by the report, identification of each written contract, including the name of each party to the contract:

(A) for the sale of:

(i) goods in the amount of \$2,500 or more; or

(ii) services, including professional services as defined by Section 2254.002, consulting services as defined by Section 2254.021, or legal counsel, in the amount of \$5,000 or more;

(B) to which the individual or any business entity of which the individual has at least a 50 percent ownership interest is a party; and

(C) with:

(i) a governmental entity; or

(ii) a person who contracts with a governmental entity, to fulfill one or more of the person's obligations to the governmental entity under that contract;

(16) if the individual is a member of the legislature and provides bond counsel services to an issuer, as defined by Section 1201.002(1), identification of the following for each issuance for which the individual served as bond counsel:

(A) the amount of the issuance;

(B) the name of the issuer;  
(C) the date of the issuance;  
(D) the amount of fees paid to the individual, and whether the  
amount is:

- (i) less than \$5,000;
- (ii) at least \$5,000 but less than \$10,000;
- (iii) at least \$10,000 but less than \$25,000; or
- (iv) \$25,000 or more; and

(E) the amount of fees paid to the individual's firm, if applicable,  
and whether the amount is:

- (i) less than \$5,000;
- (ii) at least \$5,000 but less than \$10,000;
- (iii) at least \$10,000 but less than \$25,000; or
- (iv) \$25,000 or more; and

(17) identification of any other source of earned or unearned income  
not reported under another provision of this subsection, including public benefits  
or a pension, individual retirement account, or other retirement plan, and the  
category of the amount of income derived from each source.

(e) In this section, "governmental entity" means the state, a political  
subdivision of the state, or an agency or department of the state or a political  
subdivision of the state.

SECTION 2. Subchapter B, Chapter 572, Government Code, is amended  
 by adding Section 572.0295 to read as follows:

Sec. 572.0295. AMENDMENT OF STATEMENT. (a) A person who files a  
financial statement under this chapter may amend the statement.

(b) A financial statement that is amended before the eighth day after the  
date the original statement was filed is considered to have been filed on the date  
on which the original statement was filed.

SECTION 3. Subtitle B, Title 5, Government Code, is amended by adding  
 Chapter 576 to read as follows:

CHAPTER 576. CONFLICT OF INTEREST BY STATE AGENCY  
GOVERNING BOARD MEMBER OR OFFICER

Sec. 576.001. DEFINITIONS. In this chapter:

(1) "Conflict of interest" means the conflict between an official decision  
made by a state agency governing board member or governing officer in the  
individual's official capacity and the individual's private financial interest in  
which the individual realizes any pecuniary gain, if the pecuniary gain accrued to  
the individual as a member of a class of persons, including an occupation,  
profession, or industry, to a greater extent than any other member of the class.

(2) "Financial interest" means ownership or control, directly or  
indirectly, of an ownership interest of at least five percent in a person, including  
the right to share in profits, proceeds, or capital gains, or an ownership interest  
that an individual could reasonably foresee could result in any financial benefit to  
the individual. The term does not include an interest in a retirement plan, a blind  
trust, insurance coverage, or capital gains.

(3) "Rule" means all or part of a statement of a state agency that is of general or particular applicability and of future effect designed to implement, interpret, or prescribe law or policy for the state agency or to describe the organization, procedure, or practice requirements of the state agency.

(4) "State agency" means a board, commission, council, committee, department, office, agency, or other governmental entity in the executive branch of state government.

Sec. 576.002. DUTY TO DISCLOSE AND REFRAIN FROM PARTICIPATION. (a) Except as provided by Subsection (b) or (c), in each matter before the governing board of a state agency or, if the agency is not governed by a multimember governing board, the officer who governs the agency, for which a member of the board or officer, as applicable, has a conflict of interest, the individual:

(1) shall disclose in writing the conflict of interest to the agency; and

(2) may not participate in the decision on the matter.

(b) If a majority of the members of the governing board of a state agency has a conflict of interest related to a matter before the board or, if the agency is not governed by a multimember governing board, the officer who governs the agency has a conflict of interest on the matter, the board or officer may decide the matter only if:

(1) each member, or the officer, as applicable, who has a conflict of interest discloses in writing the conflict of interest to the agency; and

(2) the board, or officer, as applicable, makes a finding that an emergency exists that requires a decision on the matter despite the conflict of interest.

(c) The duty to disclose a conflict of interest and refrain from participation in the decision on a matter for a member of the governing board of an institution of higher education, as those terms are defined by Section 61.003, Education Code, is governed by Section 51.923, Education Code.

Sec. 576.003. PUBLIC INFORMATION. A written disclosure made under Section 576.002 is public information.

Sec. 576.004. REPORT TO TEXAS ETHICS COMMISSION; RULES. (a) A state agency that receives a written disclosure under Section 576.002 shall file a copy of the disclosure with the Texas Ethics Commission.

(b) The Texas Ethics Commission may adopt the rules necessary to implement this chapter, including rules on the disclosure to be filed with the commission under Subsection (a).

Sec. 576.005. CRIMINAL PENALTY. (a) An individual commits an offense if the individual knowingly fails to comply with Section 576.002.

(b) An offense under this section is a Class B misdemeanor.

Sec. 576.006. EXEMPTION. This chapter does not apply to:

(1) the consideration of a proposed rule; or

(2) a vote to adopt a proposed rule.

SECTION 4. Section 571.061(a), Government Code, is amended to read as follows:

(a) The commission shall administer and enforce:

- (1) Chapters 302, 303, 305, 572, 576, and 2004;
- (2) Subchapter C, Chapter 159, Local Government Code, in connection with a county judicial officer, as defined by Section 159.051, Local Government Code, who elects to file a financial statement with the commission;
- (3) Title 15, Election Code; and
- (4) Sections 2152.064 and 2155.003.

SECTION 5. The changes in law made by this Act apply only to a financial statement filed under Subchapter B, Chapter 572, Government Code, as amended by this Act, on or after September 1, 2015. A financial statement filed before September 1, 2015, is governed by the law in effect on the date of filing, and the former law is continued in effect for that purpose.

SECTION 6. This Act takes effect September 1, 2015.

Representative S. Davis moved to adopt the conference committee report on **HB 3736**.

The motion to adopt the conference committee report on **HB 3736** prevailed by (Record 1812): 141 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Giddings; Sheffield; Turner, S.

### **HR 3484 - ADOPTED (by Aycock)**

The following privileged resolution was laid before the house:

### **HR 3484**

BE IT RESOLVED by the House of Representatives of the State of Texas, 84th Legislature, Regular Session, 2015, That House Rule 13, Section 9(a), be suspended in part as provided by House Rule 13, Section 9(f), to enable the

conference committee appointed to resolve the differences on **HB 1842** (public school accountability, including the intervention in and sanction of a performance rating for at least two consecutive school years and the designation of a school district as a district of innovation) to consider and take action on the following matter:

House Rule 13, Section 9(a)(4), is suspended to permit the committee to add text on a matter which is not included in either the house or senate version of the bill in proposed SECTION 12 of the bill, in added Section 39.107(g-1), Education Code, to read as follows:

(g-1) If the commissioner orders alternative management of a campus under Subsection (d)(2), the school district shall execute a contract with a managing entity for a term not to exceed five years. The commissioner may require a district to extend the term of the contract if the commissioner determines that extending the contract on expiration of the initial term is in the best interest of the students attending the campus. The terms of the contract must be approved by the commissioner. If a campus receives an academically unacceptable performance rating for two consecutive school years after the managing entity assumes management of the campus, the commissioner shall cancel the contract with the managing entity.

Explanation: This change is necessary to ensure that the commissioner of education may require a school district to extend the term of a contract with a managing entity for the alternative management of a campus if the commissioner determines the extension is in the best interest of the students attending the campus.

**HR 3484** was adopted by (Record 1813): 128 Yeas, 13 Nays, 2 Present, not voting.

Yeas — Alonzo; Alvarado; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Goldman; Gonzales; Guerra; Guillen; Gutierrez; Harless; Hernandez; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Smith; Smithee; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Turner, C.; VanDeaver; Villalba; Vo; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Allen; Anchia; Farias; Giddings; González; Herrero; Martinez Fischer; Rodriguez, J.; Simpson; Spitzer; Tinderholt; Turner, E.S.; Walle.

Present, not voting — Mr. Speaker; Bonnen, D.(C).



Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Coleman; Dukes; Rodriguez, E.; Turner, S.

**HB 1842 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Aycock submitted the following conference committee report on **HB 1842**:

Austin, Texas, May 30, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 1842** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

L. Taylor	Aycock
Bettencourt	Ashby
Campbell	Darby
Huffines	Dutton
Rodriguez	K. King
On the part of the senate	On the part of the house

**HB 1842**, A bill to be entitled An Act relating to public school accountability, including the intervention in and sanction of a public school that has received an academically unsuccessful performance rating for at least two consecutive school years and the designation of a school district as a district of innovation.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 7.028(a), Education Code, is amended to read as follows:

(a) Except as provided by Section 29.001(5), 29.010(a), [~~39.056,~~ or 39.057, the agency may monitor compliance with requirements applicable to a process or program provided by a school district, campus, program, or school granted charters under Chapter 12, including the process described by Subchapter F, Chapter 11, or a program described by Subchapter B, C, D, E, F, H, or I, Chapter 29, Subchapter A, Chapter 37, or Section 38.003, and the use of funds provided for such a program under Subchapter C, Chapter 42, only as necessary to ensure:

- (1) compliance with federal law and regulations;
- (2) financial accountability, including compliance with grant requirements; and
- (3) data integrity for purposes of:
  - (A) the Public Education Information Management System (PEIMS); and
  - (B) accountability under Chapter 39.

SECTION 2. Subchapter C, Chapter 11, Education Code, is amended by adding Section 11.0511 to read as follows:

Sec. 11.0511. STUDENT TRUSTEE FOR CERTAIN DISTRICTS. (a) This section applies only to a school district described by Section 11.065(a) in which a school in the district is operating under a campus turnaround plan.

(b) Notwithstanding Section 11.051(b), the board of trustees of a school district may adopt a resolution establishing as a nonvoting member a student trustee position as provided by this section.

(c) For a student trustee position under this section, the board shall adopt a policy that establishes:

(1) the term of the student trustee position;

(2) the procedures for selecting a student trustee, including the method for filling a vacancy; and

(3) the procedures for removal of a student trustee.

(d) A student is eligible to serve as a student trustee if the student is enrolled in the student's junior or senior year of high school and is considered in good standing academically and under the district code of conduct.

(e) The board shall adopt a policy regarding student trustee:

(1) participation, other than voting, in board deliberations, subject to Subsection (f); and

(2) access to information, documents, and records, consistent with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g).

(f) A student trustee may not participate in a closed session of a board meeting in which any issue related to a personnel matter is considered.

(g) A student trustee is not entitled to receive compensation or reimbursement of the student trustee's expenses for services on the board.

(h) A school district may grant to a student who fulfills the requirements of service of a student trustee not more than one academic course credit in a subject area determined appropriate by the district.

SECTION 3. (a) Section 12.101(b-4), Education Code, is amended to read as follows:

(b-4) Notwithstanding Section 12.114, approval of the commissioner under that section is not required for establishment of a new open-enrollment charter school campus if the requirements of this subsection~~[-including the absence of commissioner disapproval under Subdivision (3);]~~ are satisfied. A charter holder having an accreditation status of accredited and at least 50 percent of its student population in grades assessed under Subchapter B, Chapter 39, or at least 50 percent of the students in the grades assessed having been enrolled in the school for at least three school years may establish one or more new campuses under an existing charter held by the charter holder if:

(1) the charter holder is currently evaluated under the standard accountability procedures for evaluation under Chapter 39 and received a district rating in the highest or second highest performance rating category under Subchapter C, Chapter 39, for three of the last five years with at least 75 percent

of the campuses rated under the charter also receiving a rating in the highest or second highest performance rating category and with no campus with a rating in the lowest performance rating category in the most recent ratings;

(2) the charter holder provides written notice to the commissioner of the establishment of any campus under this subsection in the time, manner, and form provided by rule of the commissioner; and

(3) not later than the 60th day after the date the charter holder provides written notice under Subdivision (2), the commissioner does not provide written notice to the charter holder that the commissioner has determined that the charter holder does not satisfy the requirements of this section [of disapproval of a new campus under this section].

(b) The heading to Section 12.116, Education Code, is amended to read as follows:

Sec. 12.116. PROCEDURE FOR REVOCATION, ~~[OR]~~ MODIFICATION OF GOVERNANCE, OR DENIAL OF RENEWAL.

(c) Section 12.116, Education Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) The commissioner shall adopt an informal procedure to be used for:

(1) revoking the charter of an open-enrollment charter school or for reconstituting the governing body of the charter holder as authorized by Section 12.115; and

(2) denying the renewal of a charter of an open-enrollment charter school as authorized by Section 12.1141(c).

(a-1) The procedure adopted under Subsection (a) for the denial of renewal of a charter under Section 12.1141(c) or the revocation of a charter or reconstitution of a governing body of a charter holder under Section 12.115(a) must allow representatives of the charter holder to meet with the commissioner to discuss the commissioner's decision and must allow the charter holder to submit additional information to the commissioner relating to the commissioner's decision. In a final decision issued by the commissioner, the commissioner shall provide a written response to any information the charter holder submits under this subsection.

(d) This section applies beginning with the 2015-2016 school year.

SECTION 4. Subtitle C, Title 2, Education Code, is amended by adding Chapter 12A to read as follows:

#### CHAPTER 12A. DISTRICTS OF INNOVATION

Sec. 12A.001. AUTHORIZATION. (a) Subject to Subsection (b), a school district may be designated as a district of innovation in accordance with this chapter.

(b) A school district is eligible for designation as a district of innovation only if the district's most recent performance rating under Section 39.054 reflects at least acceptable performance.

(c) Consideration of designation as a district of innovation may be initiated by:

(1) a resolution adopted by the board of trustees of the district; or

(2) a petition signed by a majority of the members of the district-level committee established under Section 11.251.

Sec. 12A.002. PUBLIC HEARING. (a) Promptly after adopting a resolution under Section 12A.001(c)(1) or receiving a petition under Section 12A.001(c)(2), the board of trustees shall hold a public hearing to consider whether the district should develop a local innovation plan for the designation of the district as a district of innovation.

(b) At the conclusion of the public hearing or as soon as possible after conclusion of the public hearing, the board of trustees may:

(1) decline to pursue designation of the district as a district of innovation; or

(2) appoint a committee to develop a local innovation plan in accordance with Section 12A.003.

Sec. 12A.003. LOCAL INNOVATION PLAN. (a) A local innovation plan must be developed for a school district before the district may be designated as a district of innovation.

(b) A local innovation plan must:

(1) provide for a comprehensive educational program for the district, which program may include:

(A) innovative curriculum, instructional methods, and provisions regarding community participation, campus governance, and parental involvement;

(B) modifications to the school day or year;

(C) provisions regarding the district budget and sustainable program funding;

(D) accountability and assessment measures that exceed the requirements of state and federal law; and

(E) any other innovations prescribed by the board of trustees; and

(2) identify requirements imposed by this code that inhibit the goals of the plan and from which the district should be exempted on adoption of the plan, subject to Section 12A.004.

Sec. 12A.004. LIMITATION OF PERMISSIBLE EXEMPTIONS. (a) A local innovation plan may not provide for the exemption of a district designated as a district of innovation from the following provisions of this title:

(1) a state or federal requirement applicable to an open-enrollment charter school operating under Subchapter D, Chapter 12;

(2) Subchapters A, C, D, and E, Chapter 11, except that a district may be exempt from Sections 11.1511(b)(5) and (14) and Section 11.162;

(3) state curriculum and graduation requirements adopted under Chapter 28; and

(4) academic and financial accountability and sanctions under Chapter 39.

(b) The commissioner shall:

(1) maintain a list of provisions of this title from which school districts designated as districts of innovation are exempt under this chapter; and

(2) notify the legislature of each provision from which districts enrolling a majority of students in this state are exempt.

Sec. 12A.005. ADOPTION OF LOCAL INNOVATION PLAN; COMMISSIONER APPROVAL. (a) The board of trustees may not vote on adoption of a proposed local innovation plan unless:

(1) the final version of the proposed plan has been available on the district's Internet website for at least 30 days;

(2) the board of trustees has notified the commissioner of the board's intention to vote on adoption of the proposed plan; and

(3) the district-level committee established under Section 11.251 has held a public meeting to consider the final version of the proposed plan and has approved the plan by a majority vote of the committee members, provided that the meeting required by this subdivision may occur immediately before and on the same date as the meeting at which the board intends to vote on adoption of the proposed plan.

(b) A board of trustees may adopt a proposed local innovation plan by an affirmative vote of two-thirds of the membership of the board.

(c) On adoption of a local innovation plan, the district:

(1) is designated as a district of innovation under this chapter for the term specified in the plan, subject to Section 12A.006;

(2) shall begin operation in accordance with the plan; and

(3) is exempt from state requirements identified under Section 12A.003(b)(2).

(d) A district's exemption described by Subsection (c)(3) includes any subsequent amendment or redesignation of an identified state requirement, unless the subsequent amendment or redesignation specifically applies to a district of innovation.

Sec. 12A.006. TERM. The term of a district's designation as a district of innovation may not exceed five years.

Sec. 12A.007. AMENDMENT, RESCISSION, OR RENEWAL OF LOCAL INNOVATION PLAN. A local innovation plan may be amended, rescinded, or renewed if the action is approved by a vote of the district-level committee established under Section 11.251, or a comparable committee if the district is exempt from that section, and the board of trustees in the same manner as required for initial adoption of a local innovation plan under Section 12A.005.

Sec. 12A.008. TERMINATION BY COMMISSIONER. (a) The commissioner may terminate a district's designation as a district of innovation if the district receives for two consecutive school years:

(1) an unacceptable academic performance rating under Section 39.054;

(2) an unacceptable financial accountability rating under Section 39.082; or

(3) an unacceptable academic performance rating under Section 39.054 for one of the school years and an unacceptable financial accountability rating under Section 39.082 for the other school year.

(b) Instead of terminating a district's designation as authorized by Subsection (a), the commissioner may permit the district to amend the district's local innovation plan to address concerns specified by the commissioner.

(c) The commissioner shall terminate a district's designation as a district of innovation if the district receives for three consecutive school years:

(1) an unacceptable academic performance rating under Section 39.054;

(2) an unacceptable financial accountability rating under Section 39.082; or

(3) any combination of one or more unacceptable ratings under Subdivision (1) and one or more unacceptable ratings under Subdivision (2).

(d) A decision by the commissioner under this section is final and may not be appealed.

Sec. 12A.009. COMMISSIONER RULEMAKING. The commissioner may adopt rules to implement this chapter.

SECTION 5. Section 29.315, Education Code, is amended to read as follows:

Sec. 29.315. TEXAS SCHOOL FOR THE DEAF MEMORANDUM OF UNDERSTANDING. The Texas Education Agency and the Texas School for the Deaf shall develop, agree to, and by commissioner rule adopt no later than September 1, 1998, a memorandum of understanding to establish:

(1) the method for developing and reevaluating a set of indicators of the quality of learning at the Texas School for the Deaf;

(2) the process for the agency to conduct and report on an annual evaluation of the school's performance on the indicators;

(3) the requirements for the school's board to publish, discuss, and disseminate an annual report describing the educational performance of the school;

(4) the process for the agency to assign an accreditation status to the school, to reevaluate the status on an annual basis, and, if necessary, to conduct monitoring reviews [~~make on-site accreditation investigations~~]; and

(5) the type of information the school shall be required to provide through the Public Education Information Management System (PEIMS).

SECTION 6. Section 30.005, Education Code, is amended to read as follows:

Sec. 30.005. TEXAS SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED MEMORANDUM OF UNDERSTANDING. The Texas Education Agency and the Texas School for the Blind and Visually Impaired shall develop, agree to, and by commissioner rule adopt a memorandum of understanding to establish:

(1) the method for developing and reevaluating a set of indicators of the quality of learning at the Texas School for the Blind and Visually Impaired;

(2) the process for the agency to conduct and report on an annual evaluation of the school's performance on the indicators;

(3) the requirements for the school's board to publish, discuss, and disseminate an annual report describing the educational performance of the school;

(4) the process for the agency to:

(A) assign an accreditation status to the school;

(B) reevaluate the status on an annual basis; and

(C) if necessary, conduct monitoring reviews [~~make on-site accreditation investigations~~]; and

(5) the type of information the school shall be required to provide through the Public Education Information Management System (PEIMS).

SECTION 7. Section 39.056, Education Code, is amended to read as follows:

Sec. 39.056. MONITORING REVIEWS [~~ON-SITE INVESTIGATIONS~~].

(a) The commissioner may[=

~~[(1)]~~ direct the agency to conduct monitoring reviews and random on-site visits [~~investigations~~] of a school district at any time as authorized by Section 7.028 [~~to answer any questions concerning a program, including special education, required by federal law or for which the district receives federal funds; and~~

~~[(2)] as a result of the investigation, change the accreditation status of a district, change the accountability rating of a district or campus, or withdraw a distinction designation under Subchapter G~~].

(b) The commissioner shall determine the frequency of monitoring reviews [~~on-site investigations~~] by the agency according to:

(1) annual comprehensive analyses of student performance and equity in relation to the student achievement indicators adopted under Section 39.053;

(2) reviews of fiscal reports and other fiscal data as set forth in Section 44.010; or

(3) comprehensive analyses of financial accountability standards under Subchapter D.

(c) In conducting a monitoring review [~~making an on-site accreditation investigation~~], the agency may [~~investigators shall~~] obtain information from administrators, other district employees [~~teachers~~], [~~and~~] parents of students enrolled in the school district, and other persons as necessary. [~~The investigation may not be closed until information is obtained from each of these sources.~~] The commissioner [~~State Board of Education~~] shall adopt rules for:

(1) obtaining information from parents and using that information in the monitoring review [~~investigator's~~] report; and

(2) obtaining information from other district employees [~~teachers~~] in a manner that prevents a district or campus from screening the information.

(d) The agency shall give written notice to the superintendent and the board of trustees of a school district of any impending monitoring review [~~investigation of the district's accreditation~~].

(e) The agency ~~[investigators]~~ shall report ~~[orally and]~~ in writing to the superintendent and president of the board of trustees of the school district ~~[and, as appropriate, to campus administrators]~~ and shall make recommendations concerning any necessary improvements or sources of aid such as regional education service centers.

(f) A district which takes action with regard to the recommendations provided by the agency ~~[investigators]~~ as prescribed by Subsection (e) shall make a reasonable effort to seek assistance from a third party in developing an action plan to improve district performance using improvement techniques that are goal oriented and research based.

(g) A monitoring review may include desk reviews and on-site visits, including random on-site visits.

(h) The commissioner may at any time convert a monitoring review to a special accreditation investigation under Section 39.057, provided the commissioner promptly notifies the school district of the conversion.

SECTION 8. Section 39.058, Education Code, is amended to read as follows:

Sec. 39.058. CONDUCT OF SPECIAL ACCREDITATION INVESTIGATIONS. (a) The agency shall adopt written procedures for conducting special accreditation ~~[on-site]~~ investigations under this subchapter, including procedures that allow the agency to obtain information from district employees in a manner that prevents a district or campus from screening the information. The agency shall make the procedures available on the agency Internet website ~~[to the complainant, the alleged violator, and the public]~~. Agency staff must be trained in the procedures and must follow the procedures in conducting the special accreditation investigation.

(b) After completing a special accreditation ~~[an]~~ investigation, the agency shall present preliminary findings to any person or entity the agency finds has violated a law, rule, or policy. Before issuing a report with its final findings, the agency must provide a person or entity the agency finds has violated a law, rule, or policy an opportunity for an informal review by the commissioner or a designated hearing examiner.

SECTION 9. Section 39.102(a), Education Code, is amended to read as follows:

(a) If a school district does not satisfy the accreditation criteria under Section 39.052, the academic performance standards under Section 39.053 or 39.054, or any financial accountability standard as determined by commissioner rule, or if considered appropriate by the commissioner on the basis of a special accreditation investigation under Section 39.057, the commissioner shall take any of the following actions to the extent the commissioner determines necessary:

- (1) issue public notice of the deficiency to the board of trustees;



(2) order a hearing conducted by the board of trustees of the district for the purpose of notifying the public of the insufficient performance, the improvements in performance expected by the agency, and the interventions and sanctions that may be imposed under this section if the performance does not improve;

(3) order the preparation of a student achievement improvement plan that addresses each student achievement indicator under Section 39.053(c) for which the district's performance is insufficient, the submission of the plan to the commissioner for approval, and implementation of the plan;

(4) order a hearing to be held before the commissioner or the commissioner's designee at which the president of the board of trustees of the district and the superintendent shall appear and explain the district's low performance, lack of improvement, and plans for improvement;

(5) arrange a monitoring review [~~an on-site investigation~~] of the district;

(6) appoint an agency monitor to participate in and report to the agency on the activities of the board of trustees or the superintendent;

(7) appoint a conservator to oversee the operations of the district;

(8) appoint a management team to direct the operations of the district in areas of insufficient performance or require the district to obtain certain services under a contract with another person;

(9) if a district has a current accreditation status of accredited-warned or accredited-probation, fails to satisfy any standard under Section 39.054(e), or fails to satisfy financial accountability standards as determined by commissioner rule, appoint a board of managers to exercise the powers and duties of the board of trustees;

(10) if for two consecutive school years, including the current school year, a district has received an accreditation status of accredited-warned or accredited-probation, has failed to satisfy any standard under Section 39.054(e), or has failed to satisfy financial accountability standards as determined by commissioner rule, revoke the district's accreditation and:

(A) order closure of the district and annex the district to one or more adjoining districts under Section 13.054; or

(B) in the case of a home-rule school district or open-enrollment charter school, order closure of all programs operated under the district's or school's charter; or

(11) if a district has failed to satisfy any standard under Section 39.054(e) due to the district's dropout rates, impose sanctions designed to improve high school completion rates, including:

(A) ordering the development of a dropout prevention plan for approval by the commissioner;

(B) restructuring the district or appropriate school campuses to improve identification of and service to students who are at risk of dropping out of school, as defined by Section 29.081;

(C) ordering lower student-to-counselor ratios on school campuses with high dropout rates; and

(D) ordering the use of any other intervention strategy effective in reducing dropout rates, including mentor programs and flexible class scheduling.

SECTION 10. Section 39.106, Education Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) If a campus performance is below any standard under Section 39.054(e), the commissioner shall assign a campus intervention team. A campus intervention team shall:

(1) conduct, with the involvement and advice of the school community partnership team, if applicable:

(A) a targeted on-site needs assessment relevant to an area of insufficient performance of the campus as provided by Subsection (b); or

(B) if the commissioner determines necessary, a comprehensive on-site needs assessment, using the procedures provided by Subsection (b);

(2) recommend appropriate actions as provided by Subsection (c);

(3) assist in the development of a targeted improvement plan;

(4) conduct a public meeting at the campus with the campus principal, the members of the campus-level planning and decision-making committee established under Section 11.251, parents of students attending the campus, and community members residing in the district to review the campus performance rating and solicit input for the development of the targeted improvement plan;

(5) assist the campus in submitting the targeted improvement plan to the board of trustees for approval and presenting the plan in a public hearing as provided by Subsection (e-1); and

(6) ~~[(5)]~~ assist the commissioner in monitoring the progress of the campus in implementing the targeted improvement plan.

(a-1) The campus intervention team must provide written notice of the public meeting required by Subsection (a)(4) to the parents of students attending the campus and post notice of the meeting on the Internet website of the campus. The notice must include the date, time, and place of the meeting.

SECTION 11. The heading to Section 39.107, Education Code, is amended to read as follows:

Sec. 39.107. CAMPUS TURNAROUND PLAN, BOARD OF MANAGERS ~~[RECONSTITUTION, REPURPOSING]~~, ALTERNATIVE MANAGEMENT, AND CLOSURE.

SECTION 12. Section 39.107, Education Code, is amended by amending Subsections (a), (a-1), (b), (b-1), (b-2), (d), (e), (e-1), (e-2), (f), and (g) and adding Subsections (a-2), (b-3), (b-4), (b-5), (b-6), (b-7), (b-8), (b-9), (e-4), (e-5), (e-6), (g-1), and (g-2) to read as follows:

(a) After a campus has been identified as unacceptable for two consecutive school years, the commissioner shall order the campus to prepare and submit a campus turnaround plan [the reconstitution of the campus]. The commissioner shall by rule establish procedures governing the time and manner in which the campus must submit the campus turnaround plan.

(a-1) A ~~[In reconstituting a campus, a]~~ campus intervention team shall assist the campus in:

(1) developing an updated targeted improvement plan, including a campus turnaround plan to be implemented by the campus;

(2) submitting the updated targeted improvement plan to the board of trustees of the school district for approval and presenting the plan in a public hearing as provided by Section 39.106(e-1);

(3) obtaining approval of the updated plan from the commissioner; and

(4) executing the plan on approval by the commissioner.

(a-2) Before a campus turnaround plan is prepared and submitted for approval to the board of trustees of the school district, the district, in consultation with the campus intervention team, shall:

(1) provide notice to parents, the community, and stakeholders that the campus has received an academically unacceptable performance rating for two consecutive years and will be required to submit a campus turnaround plan; and

(2) request assistance from parents, the community, and stakeholders in developing the campus turnaround plan.

(b) The school district, in consultation with the campus intervention team, shall prepare the campus turnaround plan and allow parents, the community, and stakeholders an opportunity to review the plan before it is submitted for approval to the board of trustees of the school district. The plan must include details on the method for restructuring, reforming, or reconstituting the campus. If the district determines that granting a district charter under Section 12.0522 is appropriate for the campus, the campus turnaround plan must provide information on the implementation of the district charter. The plan must assist the campus in implementing procedures to satisfy all performance standards required under Section 39.054(e) [decide which educators may be retained at that campus. A principal who has been employed by the campus in that capacity during the full period described by Subsection (a) may not be retained at that campus unless the campus intervention team determines that retention of the principal would be more beneficial to the student achievement and campus stability than removal].

(b-1) A campus turnaround plan must include:

(1) a detailed description of the academic programs to be offered at the campus, including instructional methods, length of school day and school year, academic credit and promotion criteria, and programs to serve special student populations;

(2) the term of the charter, if a district charter is to be granted for the campus under Section 12.0522;

(3) written comments from the campus-level committee established under Section 11.251, if applicable, parents, and teachers at the campus; and

(4) a detailed description of the budget, staffing, and financial resources required to implement the plan, including any supplemental resources to be provided by the district or other identified sources [A teacher of a subject assessed by an assessment instrument under Section 39.023 may be retained only if the campus intervention team determines that a pattern exists of significant academic improvement by students taught by the teacher. If an educator is not retained, the educator may be assigned to another position in the district].

(b-2) A school district may:

(1) request that a regional education service center provide assistance in the development and implementation of a campus turnaround plan; or

(2) partner with an institution of higher education to develop and implement a campus turnaround plan. ~~[For each year that a campus is considered to have an unacceptable performance rating, a campus intervention team shall:~~

~~[(1) assist in updating the targeted improvement plan to identify and analyze areas of growth and areas that require improvement;~~

~~[(2) submit the updated plan to:~~

~~[(A) the board of trustees of the school district; and~~

~~[(B) the parents of campus students; and~~

~~[(3) assist in submitting the updated plan to the commissioner for approval.]~~

(b-3) The updated targeted improvement plan submitted to the board of trustees of a school district under Subsection (a-1) must include all plans and details that are required to execute the campus turnaround plan without any additional action or approval by the board of trustees.

(b-4) A campus turnaround plan developed under this section must take effect not later than the school year following the third consecutive school year that the campus has received an academically unacceptable performance rating.

(b-5) Following approval of a campus turnaround plan by the commissioner, the school district, in consultation with the campus intervention team, may take any actions needed to prepare for the implementation of the plan.

(b-6) If a campus for which a campus turnaround plan has been ordered under Subsection (a) receives an academically acceptable performance rating for the school year following the order, the board of trustees may:

(1) implement the campus turnaround plan;

(2) implement a modified version of the campus turnaround plan; or

(3) withdraw the campus turnaround plan.

(b-7) A school district required to implement a campus turnaround plan may modify the plan if the campus receives an academically acceptable performance rating for two consecutive school years following the implementation of the plan.

(b-8) Section 12.0522(b) does not apply to a district charter approved by the commissioner under this section. A district charter approved under this section may be renewed or continue in effect after the campus is no longer subject to an order under Subsection (a).

(b-9) The commissioner shall adopt rules governing the procedures for an open-enrollment charter school campus that is subject to an order issued under Subsection (a). An open-enrollment charter school must revise the school's charter in accordance with Section 12.114 in the campus turnaround plan. Nothing in this section may be construed to modify any provision of Subchapter D, Chapter 12, relating to the expiration, nonrenewal, revocation, or modification of the governance of an open-enrollment charter school. The governing board of the open-enrollment charter school shall perform the duties of a board of trustees of a school district under this section.

(d) The commissioner may approve a campus turnaround plan only if the commissioner determines that the campus will satisfy all student performance standards required under Section 39.054(e) not later than the second year the campus receives a performance rating following the implementation of the campus turnaround plan. If the commissioner does not make this determination ~~[determines that the campus is not fully implementing the updated targeted improvement plan or if the students enrolled at the campus fail to demonstrate substantial improvement in the areas targeted by the updated plan]~~, the commissioner shall ~~[may]~~ order:

(1) appointment of a board of managers to govern the district as provided by Section 39.112(b) ~~[repurposing of the campus under this section];~~

(2) alternative management of the campus under this section; or

(3) closure of the campus.

(e) If a campus is considered to have an unacceptable performance rating for three consecutive school years after the campus is ordered to submit a campus turnaround plan ~~[reconstituted]~~ under Subsection (a), the commissioner, subject to Subsection ~~[(e-1) or]~~ (e-2), shall order:

(1) appointment of a board of managers to govern the district as provided by Section 39.112(b) ~~[repurposing of the campus under this section]; or~~

(2) ~~[alternative management of the campus under this section; or~~

~~[(3)]~~ closure of the campus.

(e-1) If the commissioner orders the closure of a campus under this section, that campus may be repurposed to serve students at that campus location only if the commissioner finds that the repurposed campus offers a distinctly different academic program and serves a majority of grade levels at the repurposed campus not served at the original campus and approves a new campus identification number for the campus. The majority of students assigned to a campus that has been closed and repurposed may not have attended that campus in the previous school year. Any student assigned to a campus that has been closed must be allowed to transfer to any other campus in the district that serves that student's grade level and on request must be provided transportation to the other campus. The commissioner may grant an exemption allowing students assigned to a closed campus to attend the repurposed campus if there is no other campus in the district at which the students may enroll ~~[The commissioner may waive the requirement to enter an order under Subsection (e) for not more than one school year if the commissioner determines that, on the basis of significant improvement in student performance over the preceding two school years, the campus is likely to be assigned an acceptable performance rating for the following school year].~~

(e-2) For purposes of this subsection, "parent" has the meaning assigned by Section 12.051. If the commissioner is presented, in the time and manner specified by commissioner rule, a written petition signed by the parents of a majority of the students enrolled at a campus to which Subsection (e) applies, specifying the action described by Subsection (e)(1) or ~~[(2)]~~ ~~[(3)]~~ that the parents request the commissioner to order, the commissioner shall, except as otherwise authorized by this subsection, order the specific action requested. If the board of trustees of the school district in which the campus is located presents to

the commissioner, in the time and manner specified by commissioner rule, a written request that the commissioner order specific action authorized under Subsection (e) other than the specific action requested in the parents' petition and a written explanation of the basis for the board's request, the commissioner may order the action requested by the board of trustees.

(e-4) A board of managers appointed by the commissioner under this section is required to take appropriate actions to resolve the conditions that caused a campus to be subject to an order under Subsection (a), including amending the district's budget, reassigning staff, or relocating academic programs.

(e-5) The commissioner may authorize payment of a board of managers appointed under this section from agency funds.

(e-6) The commissioner may at any time replace a member of a board of managers appointed under this section.

(f) Notwithstanding Section 39.112(e), the commissioner may remove a board of managers appointed to govern a district under this section only if the campus that was the basis for the appointment of the board of managers receives an academically acceptable performance rating for two consecutive school years. If a campus that was the basis for the appointment of a board of managers receives an academically unacceptable performance rating for two additional consecutive years following the appointment of the board of managers, the commissioner may remove the board of managers and, in consultation with the local community, may appoint a new board of managers to govern the district. [If the commissioner orders repurposing of a campus, the school district shall develop a comprehensive plan for repurposing the campus and submit the plan to the board of trustees for approval, using the procedures described by Section 39.106(e 1), and to the commissioner for approval. The plan must include a description of a rigorous and relevant academic program for the campus. The plan may include various instructional models. The commissioner may not approve the repurposing of a campus unless:

[(1) all students in the assigned attendance zone of the campus in the school year immediately preceding the repurposing of the campus are provided with the opportunity to enroll in and are provided transportation on request to another campus, unless the commissioner grants an exception because there is no other campus in the district in which the students may enroll;

[(2) the principal is not retained at the campus, unless the commissioner determines that students enrolled at the campus have demonstrated significant academic improvement; and

[(3) teachers employed at the campus in the school year immediately preceding the repurposing of the campus are not retained at the campus, unless the commissioner or the commissioner's designee grants an exception, at the request of a school district, for:

[(A) a teacher who provides instruction in a subject other than a subject for which an assessment instrument is administered under Section 39.023(a) or (c) who demonstrates to the commissioner satisfactory performance; or

~~[(B) a teacher who provides instruction in a subject for which an assessment instrument is administered under Section 39.023(a) or (c) if the district demonstrates that the students of the teacher demonstrated satisfactory performance or improved academic growth on that assessment instrument.]~~

(g) Following the removal of a board of managers under Subsection (f), or at the request of a managing entity appointed under Subsection (d) to oversee the implementation of alternative management, the commissioner may appoint a conservator or monitor for the district to ensure district-level support for low-performing campuses and to oversee the implementation of the updated targeted improvement plan ~~[If an educator is not retained under Subsection (f), the educator may be assigned to another position in the district].~~

(g-1) If the commissioner orders alternative management of a campus under Subsection (d)(2), the school district shall execute a contract with a managing entity for a term not to exceed five years. The commissioner may require a district to extend the term of the contract if the commissioner determines that extending the contract on expiration of the initial term is in the best interest of the students attending the campus. The terms of the contract must be approved by the commissioner. If a campus receives an academically unacceptable performance rating for two consecutive school years after the managing entity assumes management of the campus, the commissioner shall cancel the contract with the managing entity.

(g-2) Subject to Subsection (e), at the end of the contract term with a managing entity or the cancellation of a contract with a managing entity under Subsection (g-1), the board of trustees of the school district shall resume management of the campus.

SECTION 13. Subchapter E, Chapter 39, Education Code, is amended by adding Section 39.1071 to read as follows:

Sec. 39.1071. TRANSITIONAL INTERVENTIONS AND SANCTIONS.  
(a) For a campus that received an academically unacceptable performance rating for the 2013-2014, 2014-2015, and 2015-2016 school years, the commissioner may apply the interventions and sanctions authorized by this chapter as this chapter existed on January 1, 2015, to the campus.

(b) If a campus described under Subsection (a) receives an academically unacceptable performance rating for the 2016-2017 and 2017-2018 school years, the commissioner shall apply the interventions and sanctions authorized by Section 39.107(e) to the campus.

(c) For a campus that received an academically acceptable performance rating for the 2013-2014 school year and an academically unacceptable performance rating for the 2014-2015 and 2015-2016 school years, the commissioner shall apply the interventions and sanctions authorized by Section 39.107(a) to the campus.

(d) If a campus described under Subsection (c) receives an academically unacceptable performance rating for the 2016-2017, 2017-2018, and 2018-2019 school years, the commissioner shall apply the interventions and sanctions authorized by Section 39.107(e) to the campus.

(e) The commissioner may adopt rules as necessary to implement this section.

(f) This section expires September 1, 2020.

SECTION 14. Section 39.112, Education Code, is amended by adding Subsections (d-1), (d-2), and (g) and amending Subsection (e) to read as follows:

(d-1) The board of managers appointed by the commissioner must, if possible, include community leaders, business representatives who have expertise in leadership, and individuals who have knowledge or expertise in the field of education.

(d-2) The commissioner must provide each individual appointed to a board of managers with training in effective leadership strategies.

(e) A board of managers shall, during the period of the appointment, order the election of members of the board of trustees of the district in accordance with applicable provisions of law. Except as provided by this subsection, the members of the board of trustees do not assume any powers or duties after the election until the appointment of the board of managers expires. Not ~~[At the direction of the commissioner but not]~~ later than the second anniversary of the date the board of managers of a district was appointed, the commissioner shall notify the board of managers and the board of trustees of the date on which the appointment of the board of managers will expire ~~[shall order an election of members of the district board of trustees. The election must be held on a uniform election date on which an election of district trustees may be held under Section 41.001, Election Code, that is at least 180 days after the date the election was ordered]~~. Following each of the last three years of the period of the appointment, one-third of the members of the board of managers shall be replaced by the number of members of the school district board of trustees who were elected at an election ordered under this subsection that constitutes, as closely as possible, one-third of the membership of the board of trustees. On the expiration of the appointment of the board of managers ~~[qualification of members for office]~~, the board of trustees assumes all of the powers and duties assigned to a board of trustees by law, rule, or regulation.

(g) Following the expiration of the period of appointment of a board of managers for a district, the commissioner shall provide training in effective leadership strategies to the board of trustees of the school district.

SECTION 15. Subchapter E, Chapter 39, Education Code, is amended by adding Sections 39.1121 and 39.1122 to read as follows:

Sec. 39.1121. APPOINTMENT OF BOARD OF MANAGERS FOR OPEN-ENROLLMENT CHARTER SCHOOL; SUPERINTENDENT. (a) A board of managers appointed for an open-enrollment charter school or a campus of an open-enrollment charter school under this chapter or Chapter 12 has the powers and duties prescribed by Section 39.107(e-4), if applicable, and Sections 39.112(a), (b), (c), and (d).

(b) If the commissioner appoints a board of managers for an open-enrollment charter school or a campus of an open-enrollment charter school, the commissioner may also appoint a superintendent.



(c) Except as otherwise provided by this subsection, a board of managers for an open-enrollment charter school or a campus of an open-enrollment charter school may not serve for a period that exceeds the period authorized by law for a board of managers appointed for a school district. A board of managers appointed to wind up the affairs of a former open-enrollment charter school or campus serves until dissolved by the commissioner.

(d) Any person appointed by the commissioner to serve on the board of managers for an open-enrollment charter school or a campus of an open-enrollment charter school or as superintendent acts on behalf of the commissioner and is entitled to:

(1) sovereign immunity; and

(2) representation by the attorney general for any act or omission taken while acting in the person's official capacity.

(e) Any person appointed to serve on the board of managers for an open-enrollment charter school or a campus of an open-enrollment charter school or as superintendent serves at the discretion of the commissioner and may be replaced by the commissioner at any time.

Sec. 39.1122. COMPENSATION OF BOARD OF MANAGERS FOR OPEN-ENROLLMENT CHARTER SCHOOL AND SUPERINTENDENT. (a) The commissioner may authorize compensation for a member of a board of managers for an open-enrollment charter school or a campus of an open-enrollment charter school or a superintendent appointed by the commissioner.

(b) The commissioner shall establish the terms of compensation provided under Subsection (a).

(c) The commissioner shall use funds received by or due to the former charter holder under Section 12.106 or funds returned to the state from liquidation of state property held by a former charter holder for compensation of a member of a board of managers for an open-enrollment charter school or a campus of an open-enrollment charter school or a superintendent.

(d) If funds described by Subsection (c) are not available or the commissioner determines that the circumstances require, the commissioner may use available agency funds, provided that the use of the available funds for that purpose is not prohibited by other law.

(e) To the extent this section conflicts with Section 39.107(e-5), this section prevails.

SECTION 16. Section 39.114, Education Code, is amended to read as follows:

Sec. 39.114. IMMUNITY FROM CIVIL LIABILITY. An employee, volunteer, or contractor acting on behalf of the commissioner under this subchapter, or a member of a board of managers appointed by the commissioner under this subchapter, is immune from civil liability to the same extent as a professional employee of a school district under Section 22.051.

SECTION 17. Section 39.106(f), Education Code, is repealed.

SECTION 18. Not later than December 1, 2018, the Legislative Budget Board shall publish a report evaluating the implementation of Section 39.107, Education Code, as amended by this Act, including an analysis of whether the changes in law made by this Act result in improvements to school performance and student performance. The Legislative Budget Board may contract with another entity for the purpose of producing the evaluation required by this section.

SECTION 19. This Act applies to the academic performance ratings issued to public school campuses beginning with the 2015-2016 school year.

SECTION 20. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

Representative Aycock moved to adopt the conference committee report on **HB 1842**.

The motion to adopt the conference committee report on **HB 1842** prevailed by (Record 1814): 125 Yeas, 18 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; Guerra; Guillen; Harless; Hernandez; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; McClendon; Metcalf; Meyer; Miller, D.; Miller, R.; Morrison; Muñoz; Murphy; Murr; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Rinaldi; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Anchia; Coleman; Collier; Farias; González; Gutierrez; Herrero; Martinez Fischer; Moody; Naishtat; Nevárez; Phelan; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Turner, C.; Walle.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Miles.

#### STATEMENTS OF VOTE

When Record No. 1814 was taken, I was shown voting yes. I intended to vote no.

Bernal

When Record No. 1814 was taken, I was shown voting no. I intended to vote yes.

Collier

When Record No. 1814 was taken, I was shown voting yes. I intended to vote no.

Muñoz

When Record No. 1814 was taken, I was shown voting no. I intended to vote yes.

Naishtat

When Record No. 1814 was taken, I was shown voting no. I intended to vote yes.

J. Rodriguez

When Record No. 1814 was taken, I was shown voting no. I intended to vote yes.

Romero

### **HB 2162 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Simmons submitted the following conference committee report on **HB 2162**:

Austin, Texas, May 30, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 2162** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Campbell  
Nelson  
Nichols  
Schwertner  
Watson

Simmons  
Springer  
R. Anderson  
Nevárez

On the part of the senate

On the part of the house

**HB 2162**, A bill to be entitled An Act relating to regulation of the use of alarm systems in certain municipalities; authorizing a municipal fee.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. The heading to Subchapter F, Chapter 214, Local Government Code, is amended to read as follows:

SUBCHAPTER F. BURGLAR ALARM SYSTEMS IN MUNICIPALITIES  
WITH POPULATION OF LESS THAN 40,000 WHOLLY LOCATED IN LESS  
POPULOUS COUNTIES

SECTION 2. Subchapter F, Chapter 214, Local Government Code, is amended by adding Section 214.1915 to read as follows:

Sec. 214.1915. APPLICABILITY. This subchapter applies only to a municipality with a population of less than 40,000 that is wholly located in a county with a population of less than 500,000.

SECTION 3. Chapter 214, Local Government Code, is amended by adding Subchapter F-1 to read as follows:

SUBCHAPTER F-1. BURGLAR ALARM SYSTEMS IN MUNICIPALITIES  
WHOLLY OR PARTLY LOCATED IN MORE POPULOUS COUNTIES AND  
MUNICIPALITIES WITH POPULATION OF 40,000 OR MORE WHOLLY OR  
PARTLY LOCATED IN LESS POPULOUS COUNTIES

Sec. 214.201. DEFINITIONS. In this subchapter:

(1) "Alarm system" and "permit" have the meanings assigned by Section 214.191.

(2) "Alarm systems monitor" means a person who acts as an alarm systems company under Section 1702.105, Occupations Code.

(3) "False alarm" means a notification of possible criminal activity reported to law enforcement:

(A) that is based solely on electronic information remotely received by an alarm systems monitor;

(B) that is uncorroborated by eyewitness, video, or photographic evidence that an emergency exists; and

(C) concerning which an agency of the municipality has verified that no emergency exists after an on-site inspection of the location from which the notification originated.

Sec. 214.2015. APPLICABILITY. This subchapter applies only to:

(1) a municipality wholly or partly located in a county with a population of 500,000 or more; and

(2) a municipality with a population of 40,000 or more wholly or partly located in a county with a population of less than 500,000.

Sec. 214.202. CATEGORIES OF ALARM SYSTEMS. The category of alarm system to be regulated is burglary.

Sec. 214.203. DURATION OF MUNICIPAL PERMIT. (a) If a municipality adopts an ordinance that requires a person to obtain a permit from the municipality before a person may use an alarm system in the municipality, the ordinance must provide that the permit is valid for at least one year.

(b) This requirement does not affect the authority of the municipality to:

(1) revoke, suspend, or otherwise affect the duration of a permit for disciplinary reasons at any time during the period for which the permit is issued; or

(2) make a permit valid for a period of less than one year if necessary to conform the permit to the termination schedule established by the municipality for permits.

Sec. 214.204. MUNICIPAL PERMIT FEE GENERALLY. (a) If a municipality adopts an ordinance that requires a person to pay an annual fee to obtain a permit from the municipality before the person may use an alarm system in the municipality, the fee shall be used for the general administration of this subchapter, including the provision of responses generally required to implement this subchapter other than specific responses to false alarms.

(b) A municipal permit fee imposed under this section for an alarm system may not exceed the rate of:

(1) \$50 a year for a residential location; and

(2) \$250 a year for other alarm system locations.

Sec. 214.205. NONRENEWAL OR REVOCATION OF PERMIT; TERMINATION OF MUNICIPAL RESPONSE; DISCRIMINATION PROHIBITED. (a) Except as provided by Subsection (d), a municipality may not terminate its law enforcement response to a residential permit holder because of excess false alarms if the false alarm fees are paid in full.

(b) In permitting free false alarm responses and in setting false alarm fees, a municipality must administer any ordinance on a fair and equitable basis as determined by the governing body.

(c) A municipality may not terminate an alarm permit for nonrenewal without providing at least 30 days' notice.

(d) A municipality may revoke or refuse to renew the permit of an alarm system that has had eight or more false alarms during the preceding 12-month period.

Sec. 214.2055. MULTIUNIT HOUSING FACILITIES. (a) A municipality may not refuse to issue an alarm system permit for a residential location solely because the residential location is an individual residential unit located in a multiunit housing facility.

(b) In issuing an alarm system permit for an alarm installed in an individual residential unit of a multiunit housing facility, the municipality shall issue the permit to the person occupying the individual residential unit.

(c) A municipality may impose a penalty under Section 214.207 for the signaling of a false alarm on the premises of a multiunit housing facility for a facility other than an individual residential unit only if the permit holder is notified of:

(1) the date of the signaling of the false alarm;

(2) the address of the multiunit housing facility where the signaling of the false alarm occurred; and

(3) the identification of the individual facility, if applicable, located on the multiunit housing facility premises where the signaling of the false alarm occurred.

Sec. 214.206. ON-SITE INSPECTION REQUIRED. A municipality may not consider a false alarm to have occurred unless a response is made by an agency of the municipality within a reasonable time and the agency determines from an inspection of the interior or exterior of the premises that the alarm report by an alarm systems monitor was false.

Sec. 214.207. PENALTIES FOR FALSE ALARMS. (a) A municipality may impose a penalty on a person who uses an alarm system in the municipality for the report of a false alarm by an alarm systems monitor if at least three other false alarms have occurred at that location during the preceding 12-month period. The amount of the penalty for the report of a false alarm as described by Section 214.206 may not exceed:

(1) \$50, if the location has had more than three but fewer than six other false alarms in the preceding 12-month period;

(2) \$75, if the location has had more than five but fewer than eight other false alarms in the preceding 12-month period; or

(3) \$100, if the location has had eight or more other false alarms in the preceding 12-month period.

(b) A municipality may not impose a penalty authorized under Subsection (a) if reasonable visual proof of possible criminal activity recorded by an alarm systems monitor is provided to the municipality before the inspection of the premises by an agency of the municipality.

(c) A municipality that adopts an ordinance requiring a person to obtain a permit from the municipality before the person may use an alarm system in the municipality may impose a penalty, not to exceed \$250, for the report of a false alarm by an alarm systems monitor on a person who has not obtained a permit for the alarm system as required by the municipal ordinance.

(d) A municipality:

(1) may impose a penalty, not to exceed \$250, for the report of a false alarm on a person not licensed under Chapter 1702, Occupations Code, that to any extent is reported or facilitated by the unlicensed person; and

(2) may not impose a penalty for the report of a false alarm on a person licensed under Chapter 1702, Occupations Code.

(e) A municipality may not impose or collect any fine, fee, or penalty, other than collection fees, related to a false alarm or alarm system unless the fine, fee, or penalty is defined in the ordinance in accordance with this subchapter.

Sec. 214.208. PROCEDURES FOR REDUCING FALSE ALARMS. A municipality may require an alarm systems monitor to attempt to contact the occupant of the alarm system location twice before the municipality responds to the alarm signal.

Sec. 214.209. EXCEPTION OF MUNICIPALITY FROM ALARM SYSTEM RESPONSE. (a) The governing body of a municipality may not adopt an ordinance providing that law enforcement personnel of the municipality will not respond to any alarm signal indicated by an alarm system in the municipality unless, before adopting the ordinance, the governing body of the municipality:

(1) makes reasonable efforts to notify permit holders of its intention to adopt the ordinance; and

(2) conducts a public hearing at which persons interested in the response of the municipality to alarm systems are given the opportunity to be heard.

(b) A municipality that adopts an ordinance under this section may not impose or collect any fine, fee, or penalty otherwise authorized by this subchapter.

(c) A municipality that adopts or proposes to adopt an ordinance under this section may notify permit holders that a permit holder may contract with a security services provider licensed by the Texas Private Security Board under Chapter 1702, Occupations Code, to respond to an alarm. The notice, if given, must include the board's telephone number and Internet website address.

Sec. 214.210. PRIORITY OR LEVEL OF RESPONSE NOT AFFECTED; LIABILITY OF MUNICIPALITY FOR NONRESPONSE. (a) Nothing in this subchapter:

(1) affects the priority or level of response provided by a municipality to a permitted location; or

(2) waives the governmental immunity provided by law for a municipality.

(b) A municipality that does not respond to an alarm system signal is not liable for damages that may occur relating to the cause of the alarm system signal.

Sec. 214.2105. EXCLUSION OF CERTAIN ALARM SYSTEMS BY OWNER. (a) A property owner or an agent of the property owner authorized to make decisions regarding the use of the property may elect to exclude the municipality from receiving an alarm signal by an alarm system located on the owner's property. A municipality may adopt an ordinance that specifies the requirements a property owner must satisfy for an election to be made under this section.

(b) If an election is made under Subsection (a), the municipality:

(1) may not impose a fee to obtain a permit to use the alarm system;

(2) may impose a fee on the property owner, not to exceed \$250, for each law enforcement response to a signal from the alarm system requested by an alarm systems monitor; and

(3) may not impose or collect any other fine, penalty, or fee, other than a collection fee, related to the alarm system.

SECTION 4. With respect to a municipality subject to Subchapter F-1, Chapter 214, Local Government Code, as added by this Act, that on the effective date of this Act is a party to a contract with a third party to provide alarm system services, the changes in law made by this Act apply beginning after the date the contract, including any renewals, is terminated or expires by the contract's own terms. During the period a contract described by this section is effective, the municipality described by this section is governed by the law in effect immediately before the effective date of this Act, and the former law is continued in effect for that purpose.

SECTION 5. This Act takes effect September 1, 2015.

Representative Simmons moved to adopt the conference committee report on **HB 2162**.

The motion to adopt the conference committee report on **HB 2162** prevailed by (Record 1815): 117 Yeas, 23 Nays, 2 Present, not voting. (The vote was reconsidered later today, and the house discharged conferees and concurred in the senate amendments to **HB 2162** by Record No. 1827.)

Yeas — Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Aycock; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hunter; Israel; Johnson; Kacal; Keffer; King, K.; King, P.; King, S.; King, T.; Koop; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Smith; Smithee; Spitzer; Springer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; Turner, S.; VanDeaver; Villalba; Walle; Wray; Wu; Zerwas.

Nays — Ashby; Bell; Burrows; Elkins; Faircloth; Fallon; Hughes; Isaac; Keough; Krause; Metcalf; Phillips; Rinaldi; Sanford; Schaefer; Simpson; Stickland; Tinderholt; Vo; White, J.; White, M.; Workman; Zedler.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Allen; Dukes; Giddings; Klick; Turner, E.S.

### **HB 1396 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Workman submitted the following conference committee report on **HB 1396**:

Austin, Texas, May 30, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 1396** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Burton  
Whitmire  
Perry  
Hinojosa

Workman  
Moody  
Larson  
Herrero  
Krause



On the part of the senate

On the part of the house

**HB 1396**, A bill to be entitled An Act relating to certain criminal offenses, punishments, and procedures; the construction of certain statutes and rules that create or define criminal offenses and penalties; a review of certain penal laws of this state.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article 18.02(a), Code of Criminal Procedure, is amended to read as follows:

- (a) A search warrant may be issued to search for and seize:
- (1) property acquired by theft or in any other manner which makes its acquisition a penal offense;
  - (2) property specially designed, made, or adapted for or commonly used in the commission of an offense;
  - (3) arms and munitions kept or prepared for the purposes of insurrection or riot;
  - (4) weapons prohibited by the Penal Code;
  - (5) gambling devices or equipment, altered gambling equipment, or gambling paraphernalia;
  - (6) obscene materials kept or prepared for commercial distribution or exhibition, subject to the additional rules set forth by law;
  - (7) a drug, controlled substance, immediate precursor, chemical precursor, or other controlled substance property, including an apparatus or paraphernalia kept, prepared, or manufactured in violation of the laws of this state;
  - (8) any property the possession of which is prohibited by law;
  - (9) implements or instruments used in the commission of a crime;
  - (10) property or items, except the personal writings by the accused, constituting evidence of an offense or constituting evidence tending to show that a particular person committed an offense;
  - (11) persons;
  - (12) contraband subject to forfeiture under Chapter 59 of this code; ~~or~~
  - (13) electronic customer data held in electronic storage, including the contents of and records and other information related to a wire communication or electronic communication held in electronic storage; or
  - (14) a cellular telephone or other wireless communications device, subject to Article 18.0215.

SECTION 2. Chapter 18, Code of Criminal Procedure, is amended by adding Article 18.0215 to read as follows:

Art. 18.0215. ACCESS TO CELLULAR TELEPHONE OR OTHER WIRELESS COMMUNICATIONS DEVICE. (a) A peace officer may not search a person's cellular telephone or other wireless communications device, pursuant to a lawful arrest of the person without obtaining a warrant under this article.

(b) A warrant under this article may be issued only by a judge in the same judicial district as the site of:

(1) the law enforcement agency that employs the peace officer, if the cellular telephone or other wireless communications device is in the officer's possession; or

(2) the likely location of the telephone or device.

(c) A judge may issue a warrant under this article only on the application of a peace officer. An application must be written and signed and sworn to or affirmed before the judge. The application must:

(1) state the name, department, agency, and address of the applicant;

(2) identify the cellular telephone or other wireless communications device to be searched;

(3) state the name of the owner or possessor of the telephone or device to be searched;

(4) state the judicial district in which:

(A) the law enforcement agency that employs the peace officer is located, if the telephone or device is in the officer's possession; or

(B) the telephone or device is likely to be located; and

(5) state the facts and circumstances that provide the applicant with probable cause to believe that:

(A) criminal activity has been, is, or will be committed; and

(B) searching the telephone or device is likely to produce evidence in the investigation of the criminal activity described in Paragraph (A).

(d) Notwithstanding any other law, a peace officer may search a cellular telephone or other wireless communications device without a warrant if:

(1) the owner or possessor of the telephone or device consents to the search;

(2) the telephone or device is reported stolen by the owner or possessor;  
or

(3) the officer reasonably believes that:

(A) the telephone or device is in the possession of a fugitive from justice for whom an arrest warrant has been issued for committing a felony offense; or

(B) there exists an immediate life-threatening situation, as defined by Section 1, Article 18.20.

(e) A peace officer must apply for a warrant to search a cellular telephone or other wireless communications device as soon as practicable after a search is conducted under Subsection (d)(3)(A) or (B). If the judge finds that the applicable situation under Subsection (d)(3)(A) or (B) did not occur and declines to issue the warrant, any evidence obtained is not admissible in a criminal action.

SECTION 3. Article 32A.01, Code of Criminal Procedure, is amended to read as follows:

Art. 32A.01. TRIAL PRIORITIES. (a) Insofar as is practicable, the trial of a criminal action shall be given preference over trials of civil cases, and the trial of a criminal action against a defendant who is detained in jail pending trial of the action shall be given preference over trials of other criminal actions not described by Subsection (b).

(b) Unless extraordinary circumstances require otherwise, the trial of a criminal action in which the alleged victim is younger than 14 years of age shall be given preference over other matters before the court, whether civil or criminal.

SECTION 4. Subchapter C, Chapter 311, Government Code, is amended by adding Section 311.035 to read as follows:

Sec. 311.035. CONSTRUCTION OF STATUTE OR RULE INVOLVING CRIMINAL OFFENSE OR PENALTY. (a) In this section, "actor" and "element of offense" have the meanings assigned by Section 1.07, Penal Code.

(b) Except as provided by Subsection (c), a statute or rule that creates or defines a criminal offense or penalty shall be construed in favor of the actor if any part of the statute or rule is ambiguous on its face or as applied to the case, including:

- (1) an element of offense; or
- (2) the penalty to be imposed.

(c) Subsection (b) does not apply to a criminal offense or penalty under the Penal Code or under the Texas Controlled Substances Act.

(d) The ambiguity of a part of a statute or rule to which this section applies is a matter of law to be resolved by the judge.

SECTION 5. Sections 28.03(b), (f), (h), and (j), Penal Code, are amended to read as follows:

(b) Except as provided by Subsections (f) and (h), an offense under this section is:

- (1) a Class C misdemeanor if:

- (A) the amount of pecuniary loss is less than \$100 [~~\$50~~]; or

- (B) except as provided in Subdivision (3)(A) or (3)(B), it causes substantial inconvenience to others;

- (2) a Class B misdemeanor if the amount of pecuniary loss is \$100 [~~\$50~~] or more but less than \$750 [~~\$500~~];

- (3) a Class A misdemeanor if:

- (A) the amount of pecuniary loss is \$750 [~~\$500~~] or more but less than \$2,500 [~~\$1,500~~]; or

- (B) the actor causes in whole or in part impairment or interruption of any public water supply, or causes to be diverted in whole, in part, or in any manner, including installation or removal of any device for any such purpose, any public water supply, regardless of the amount of the pecuniary loss;

- (4) a state jail felony if the amount of pecuniary loss is:

- (A) \$2,500 [~~\$1,500~~] or more but less than \$30,000 [~~\$20,000~~];

- (B) less than \$2,500 [~~\$1,500~~], if the property damaged or destroyed is a habitation and if the damage or destruction is caused by a firearm or explosive weapon;

- (C) less than \$2,500 [~~\$1,500~~], if the property was a fence used for the production or containment of:

- (i) cattle, bison, horses, sheep, swine, goats, exotic livestock, or exotic poultry; or

- (ii) game animals as that term is defined by Section 63.001, Parks and Wildlife Code; or

(D) less than \$30,000 [~~\$20,000~~] and the actor causes wholly or partly impairment or interruption of public communications, public transportation, public gas or power supply, or other public service, or causes to be diverted wholly, partly, or in any manner, including installation or removal of any device for any such purpose, any public communications or public gas or power supply;

(5) a felony of the third degree if the amount of the pecuniary loss is \$30,000 [~~\$20,000~~] or more but less than \$150,000 [~~\$100,000~~];

(6) a felony of the second degree if the amount of pecuniary loss is \$150,000 [~~\$100,000~~] or more but less than \$300,000 [~~\$200,000~~]; or

(7) a felony of the first degree if the amount of pecuniary loss is \$300,000 [~~\$200,000~~] or more.

(f) An offense under this section is a state jail felony if the damage or destruction is inflicted on a place of worship or human burial, a public monument, or a community center that provides medical, social, or educational programs and the amount of the pecuniary loss to real property or to tangible personal property is \$750 or more but less than \$30,000 [~~\$20,000~~].

(h) An offense under this section is a state jail felony if the amount of the pecuniary loss to real property or to tangible personal property is \$750 [~~\$1,500~~] or more but less than \$30,000 [~~\$20,000~~] and the damage or destruction is inflicted on a public or private elementary school, secondary school, or institution of higher education.

(j) Notwithstanding Subsection (b), an offense under this section is a felony of the third degree if:

(1) the tangible property damaged, destroyed, or tampered with is transportation communications equipment or a transportation communications device; and

(2) the amount of the pecuniary loss to the tangible property is less than \$150,000 [~~\$100,000~~].

SECTION 6. Section 28.06(d), Penal Code, is amended to read as follows:

(d) If the amount of pecuniary loss cannot be ascertained by the criteria set forth in Subsections (a) through (c), the amount of loss is deemed to be greater than \$750 [~~\$500~~] but less than \$2,500 [~~\$1,500~~].

SECTION 7. Section 28.07(e), Penal Code, is amended to read as follows:

(e) An offense under Subsection (b)(2)(B), (b)(2)(C), or (b)(2)(D) is a Class C misdemeanor unless the person causes pecuniary loss of \$100 or more, in which event the offense is:

(1) a Class B misdemeanor if the amount of pecuniary loss is \$100 [~~\$20~~] or more but less than \$750 [~~\$500~~];

(2) a Class A misdemeanor if the amount of pecuniary loss is \$750 [~~\$500~~] or more but less than \$2,500 [~~\$1,500~~];

(3) a state jail felony if the amount of pecuniary loss is \$2,500 [~~\$1,500~~] or more but less than \$30,000 [~~\$20,000~~];

(4) a felony of the third degree if the amount of the pecuniary loss is \$30,000 [~~\$20,000~~] or more but less than \$150,000 [~~\$100,000~~];

(5) a felony of the second degree if the amount of pecuniary loss is \$150,000 [~~\$100,000~~] or more but less than \$300,000 [~~\$200,000~~]; or

(6) a felony of the first degree if the amount of the pecuniary loss is \$300,000 [~~\$200,000~~] or more.

SECTION 8. Sections 28.08(b) and (d), Penal Code, are amended to read as follows:

(b) Except as provided by Subsection (d), an offense under this section is:

(1) a Class C misdemeanor if the amount of pecuniary loss is less than \$100;

(2) a Class B misdemeanor if the amount of pecuniary loss is \$100 or more but less than \$750 [~~\$500~~];

(3) [~~(2)~~] a Class A misdemeanor if the amount of pecuniary loss is \$750 [~~\$500~~] or more but less than \$2,500 [~~\$1,500~~];

(4) [~~(3)~~] a state jail felony if the amount of pecuniary loss is \$2,500 [~~\$1,500~~] or more but less than \$30,000 [~~\$20,000~~];

(5) [~~(4)~~] a felony of the third degree if the amount of pecuniary loss is \$30,000 [~~\$20,000~~] or more but less than \$150,000 [~~\$100,000~~];

(6) [~~(5)~~] a felony of the second degree if the amount of pecuniary loss is \$150,000 [~~\$100,000~~] or more but less than \$300,000 [~~\$200,000~~]; or

(7) [~~(6)~~] a felony of the first degree if the amount of pecuniary loss is \$300,000 [~~\$200,000~~] or more.

(d) An offense under this section is a state jail felony if:

(1) the marking is made on a school, an institution of higher education, a place of worship or human burial, a public monument, or a community center that provides medical, social, or educational programs; and

(2) the amount of the pecuniary loss to real property or to tangible personal property is \$750 or more but less than \$30,000 [~~\$20,000~~].

SECTION 9. Article 14.06(d), Code of Criminal Procedure, is amended to read as follows:

(d) Subsection (c) applies only to a person charged with committing an offense under:

(1) Section 481.121, Health and Safety Code, if the offense is punishable under Subsection (b)(1) or (2) of that section;

(1-a) Section 481.1161, Health and Safety Code, if the offense is punishable under Subsection (b)(1) or (2) of that section;

(2) Section 28.03, Penal Code, if the offense is punishable under Subsection (b)(2) of that section;

(3) Section 28.08, Penal Code, if the offense is punishable under Subsection (b)(2) or (3) [~~(b)(1)~~] of that section;

(4) Section 31.03, Penal Code, if the offense is punishable under Subsection (e)(2)(A) of that section;

(5) Section 31.04, Penal Code, if the offense is punishable under Subsection (e)(2) of that section;

(6) Section 38.114, Penal Code, if the offense is punishable as a Class B misdemeanor; or

(7) Section 521.457, Transportation Code.

SECTION 10. Section 31.03(e), Penal Code, is amended to read as follows:

(e) Except as provided by Subsection (f), an offense under this section is:

(1) a Class C misdemeanor if the value of the property stolen is less than \$100[:

~~[(A) \$50; or~~

~~[(B) \$20 and the defendant obtained the property by issuing or passing a check or similar sight order in a manner described by Section 31.06];~~

(2) a Class B misdemeanor if:

(A) the value of the property stolen is \$100[:

~~[(i) \$50] or more but less than \$750 [~~\$500; or~~~~

~~[(ii) \$20 or more but less than \$500 and the defendant obtained the property by issuing or passing a check or similar sight order in a manner described by Section 31.06];~~

(B) the value of the property stolen is less than \$100[:

~~[(i) \$50] and the defendant has previously been convicted of any grade of theft; or~~

~~[(ii) \$20, the defendant has previously been convicted of any grade of theft, and the defendant obtained the property by issuing or passing a check or similar sight order in a manner described by Section 31.06; or]~~

(C) the property stolen is a driver's license, commercial driver's license, or personal identification certificate issued by this state or another state;

(3) a Class A misdemeanor if the value of the property stolen is \$750 [~~\$500~~] or more but less than \$2,500 [~~\$1,500~~];

(4) a state jail felony if:

(A) the value of the property stolen is \$2,500 [~~\$1,500~~] or more but less than \$30,000 [~~\$20,000~~], or the property is less than 10 head of sheep, swine, or goats or any part thereof under the value of \$30,000 [~~\$20,000~~];

(B) regardless of value, the property is stolen from the person of another or from a human corpse or grave, including property that is a military grave marker;

(C) the property stolen is a firearm, as defined by Section 46.01;

(D) the value of the property stolen is less than \$2,500 [~~\$1,500~~] and the defendant has been previously convicted two or more times of any grade of theft;

(E) the property stolen is an official ballot or official carrier envelope for an election; or

(F) the value of the property stolen is less than \$20,000 and the property stolen is:

(i) aluminum;

(ii) bronze;

(iii) copper; or

(iv) brass;

(5) a felony of the third degree if the value of the property stolen is \$30,000 [~~\$20,000~~] or more but less than \$150,000 [~~\$100,000~~], or the property is:

(A) cattle, horses, or exotic livestock or exotic fowl as defined by Section 142.001, Agriculture Code, stolen during a single transaction and having an aggregate value of less than \$150,000 [~~\$100,000~~]; or

(B) 10 or more head of sheep, swine, or goats stolen during a single transaction and having an aggregate value of less than \$150,000 [~~\$100,000~~];

(6) a felony of the second degree if:

(A) the value of the property stolen is \$150,000 [~~\$100,000~~] or more but less than \$300,000 [~~\$200,000~~]; or

(B) the value of the property stolen is less than \$300,000 [~~\$200,000~~] and the property stolen is an automated teller machine or the contents or components of an automated teller machine; or

(7) a felony of the first degree if the value of the property stolen is \$300,000 [~~\$200,000~~] or more.

SECTION 11. Sections 31.04(b) and (c), Penal Code, are amended to read as follows:

(b) For purposes of this section, intent to avoid payment is presumed if:

(1) the actor absconded without paying for the service or expressly refused to pay for the service in circumstances where payment is ordinarily made immediately upon rendering of the service, as in hotels, campgrounds, recreational vehicle parks, restaurants, and comparable establishments;

(2) the actor failed to make payment under a service agreement within 10 days after receiving notice demanding payment;

(3) the actor returns property held under a rental agreement after the expiration of the rental agreement and fails to pay the applicable rental charge for the property within 10 days after the date on which the actor received notice demanding payment; or

(4) the actor failed to return the property held under a rental agreement:

(A) within five days after receiving notice demanding return, if the property is valued at less than \$2,500 [~~\$1,500~~]; or

(B) within three days after receiving notice demanding return, if the property is valued at \$2,500 [~~\$1,500~~] or more.

(c) An offense under this section is:

(1) a Class C misdemeanor if the value of the service stolen is less than \$100 [~~\$20~~];

(2) a Class B misdemeanor if the value of the service stolen is \$100 [~~\$20~~] or more but less than \$750 [~~\$500~~];

(3) a Class A misdemeanor if the value of the service stolen is \$750 [~~\$500~~] or more but less than \$2,500 [~~\$1,500~~];

(4) a state jail felony if the value of the service stolen is \$2,500 [~~\$1,500~~] or more but less than \$30,000 [~~\$20,000~~];

(5) a felony of the third degree if the value of the service stolen is \$30,000 [~~\$20,000~~] or more but less than \$150,000 [~~\$100,000~~];

(6) a felony of the second degree if the value of the service stolen is \$150,000 [~~\$100,000~~] or more but less than \$300,000 [~~\$200,000~~]; or

(7) a felony of the first degree if the value of the service stolen is \$300,000 [~~\$200,000~~] or more.

SECTION 12. Section 31.08(c), Penal Code, is amended to read as follows:

(c) If property or service has value that cannot be reasonably ascertained by the criteria set forth in Subsections (a) and (b), the property or service is deemed to have a value of \$750 [~~\$500~~] or more but less than \$2,500 [~~\$1,500~~].

SECTION 13. Sections 31.16(c) and (d), Penal Code, are amended to read as follows:

(c) An offense under this section is:

(1) a Class C misdemeanor if the total value of the merchandise involved in the activity is less than \$100;

(2) a Class B misdemeanor if the total value of the merchandise involved in the activity is \$100 or more but less than \$750 [~~\$50~~];

(3) [(2)] a Class A misdemeanor if the total value of the merchandise involved in the activity is \$750 [~~\$50~~] or more but less than \$2,500 [~~\$500~~];

(4) [(3)] a state jail felony if the total value of the merchandise involved in the activity is \$2,500 [~~\$500~~] or more but less than \$30,000 [~~\$1,500~~];

(5) [(4)] a felony of the third degree if the total value of the merchandise involved in the activity is \$30,000 [~~\$1,500~~] or more but less than \$150,000 [~~\$20,000~~];

(6) [(5)] a felony of the second degree if the total value of the merchandise involved in the activity is \$150,000 [~~\$20,000~~] or more but less than \$300,000 [~~\$100,000~~]; or

(7) [(6)] a felony of the first degree if the total value of the merchandise involved in the activity is \$300,000 [~~\$100,000~~] or more.

(d) An offense described for purposes of punishment by Subsections (c)(1)-(6) [(c)(1)-(5)] is increased to the next higher category of offense if it is shown on the trial of the offense that:

(1) the person organized, supervised, financed, or managed one or more other persons engaged in an activity described by Subsection (b); or

(2) during the commission of the offense, a person engaged in an activity described by Subsection (b) intentionally, knowingly, or recklessly:

(A) caused a fire exit alarm to sound or otherwise become activated;

(B) deactivated or otherwise prevented a fire exit alarm or retail theft detector from sounding; or

(C) used a shielding or deactivation instrument to prevent or attempt to prevent detection of the offense by a retail theft detector.

SECTION 14. Section 32.02(c), Penal Code, is amended to read as follows:

(c) If property or service has value that cannot be reasonably ascertained by the criteria set forth in Subsections (a) and (b), the property or service is deemed to have a value of \$750 [~~\$500~~] or more but less than \$2,500 [~~\$1,500~~].

SECTION 15. Section 32.23(e), Penal Code, is amended to read as follows:

(e) An offense under this section is a:

(1) Class C misdemeanor if the retail value of the item or service is less than \$100 [~~\$20~~];



(2) Class B misdemeanor if the retail value of the item or service is \$100 [~~\$20~~] or more but less than \$750 [~~\$500~~];

(3) Class A misdemeanor if the retail value of the item or service is \$750 [~~\$500~~] or more but less than \$2,500 [~~\$1,500~~];

(4) state jail felony if the retail value of the item or service is \$2,500 [~~\$1,500~~] or more but less than \$30,000 [~~\$20,000~~];

(5) felony of the third degree if the retail value of the item or service is \$30,000 [~~\$20,000~~] or more but less than \$150,000 [~~\$100,000~~];

(6) felony of the second degree if the retail value of the item or service is \$150,000 [~~\$100,000~~] or more but less than \$300,000 [~~\$200,000~~]; or

(7) felony of the first degree if the retail value of the item or service is \$300,000 [~~\$200,000~~] or more.

SECTION 16. Section 32.32(c), Penal Code, is amended to read as follows:

(c) An offense under this section is:

(1) a Class C misdemeanor if the value of the property or the amount of credit is less than \$100 [~~\$50~~];

(2) a Class B misdemeanor if the value of the property or the amount of credit is \$100 [~~\$50~~] or more but less than \$750 [~~\$500~~];

(3) a Class A misdemeanor if the value of the property or the amount of credit is \$750 [~~\$500~~] or more but less than \$2,500 [~~\$1,500~~];

(4) a state jail felony if the value of the property or the amount of credit is \$2,500 [~~\$1,500~~] or more but less than \$30,000 [~~\$20,000~~];

(5) a felony of the third degree if the value of the property or the amount of credit is \$30,000 [~~\$20,000~~] or more but less than \$150,000 [~~\$100,000~~];

(6) a felony of the second degree if the value of the property or the amount of credit is \$150,000 [~~\$100,000~~] or more but less than \$300,000 [~~\$200,000~~]; or

(7) a felony of the first degree if the value of the property or the amount of credit is \$300,000 [~~\$200,000~~] or more.

SECTION 17. Sections 32.33(d) and (e), Penal Code, are amended to read as follows:

(d) An offense under Subsection (b) is a:

(1) Class C misdemeanor if the value of the property destroyed, removed, concealed, encumbered, or otherwise harmed or reduced in value is less than \$100 [~~\$20~~];

(2) Class B misdemeanor if the value of the property destroyed, removed, concealed, encumbered, or otherwise harmed or reduced in value is \$100 [~~\$20~~] or more but less than \$750 [~~\$500~~];

(3) Class A misdemeanor if the value of the property destroyed, removed, concealed, encumbered, or otherwise harmed or reduced in value is \$750 [~~\$500~~] or more but less than \$2,500 [~~\$1,500~~];

(4) state jail felony if the value of the property destroyed, removed, concealed, encumbered, or otherwise harmed or reduced in value is \$2,500 [~~\$1,500~~] or more but less than \$30,000 [~~\$20,000~~];

(5) felony of the third degree if the value of the property destroyed, removed, concealed, encumbered, or otherwise harmed or reduced in value is \$30,000 [~~\$20,000~~] or more but less than \$150,000 [~~\$100,000~~];

(6) felony of the second degree if the value of the property destroyed, removed, concealed, encumbered, or otherwise harmed or reduced in value is \$150,000 [~~\$100,000~~] or more but less than \$300,000 [~~\$200,000~~]; or

(7) felony of the first degree if the value of the property destroyed, removed, concealed, encumbered, or otherwise harmed or reduced in value is \$300,000 [~~\$200,000~~] or more.

(e) A person who is a debtor under a security agreement, and who does not have a right to sell or dispose of the secured property or is required to account to the secured party for the proceeds of a permitted sale or disposition, commits an offense if the person sells or otherwise disposes of the secured property, or does not account to the secured party for the proceeds of a sale or other disposition as required, with intent to appropriate (as defined in Chapter 31) the proceeds or value of the secured property. A person is presumed to have intended to appropriate proceeds if the person does not deliver the proceeds to the secured party or account to the secured party for the proceeds before the 11th day after the day that the secured party makes a lawful demand for the proceeds or account. An offense under this subsection is:

(1) a Class C misdemeanor if the proceeds obtained from the sale or other disposition are money or goods having a value of less than \$100 [~~\$20~~];

(2) a Class B misdemeanor if the proceeds obtained from the sale or other disposition are money or goods having a value of \$100 [~~\$20~~] or more but less than \$750 [~~\$500~~];

(3) a Class A misdemeanor if the proceeds obtained from the sale or other disposition are money or goods having a value of \$750 [~~\$500~~] or more but less than \$2,500 [~~\$1,500~~];

(4) a state jail felony if the proceeds obtained from the sale or other disposition are money or goods having a value of \$2,500 [~~\$1,500~~] or more but less than \$30,000 [~~\$20,000~~];

(5) a felony of the third degree if the proceeds obtained from the sale or other disposition are money or goods having a value of \$30,000 [~~\$20,000~~] or more but less than \$150,000 [~~\$100,000~~];

(6) a felony of the second degree if the proceeds obtained from the sale or other disposition are money or goods having a value of \$150,000 [~~\$100,000~~] or more but less than \$300,000 [~~\$200,000~~]; or

(7) a felony of the first degree if the proceeds obtained from the sale or other disposition are money or goods having a value of \$300,000 [~~\$200,000~~] or more.

SECTION 18. Section 32.34(f), Penal Code, is amended to read as follows:

(f) An offense under Subsection (b)(1), (b)(2), or (b)(3) is:

(1) a state jail felony if the value of the motor vehicle is less than \$30,000 [~~\$20,000~~]; ~~or~~

(2) a felony of the third degree if the value of the motor vehicle is \$30,000 [~~\$20,000~~] or more but less than \$150,000;

(3) a felony of the second degree if the value of the motor vehicle is \$150,000 or more but less than \$300,000; or

(4) a felony of the first degree if the value of the motor vehicle is \$300,000 or more.

SECTION 19. Section 32.35(e), Penal Code, is amended to read as follows:

(e) An offense under this section is a:

(1) Class C misdemeanor if the amount of the record of a sale is less than \$100 [~~\$20~~];

(2) Class B misdemeanor if the amount of the record of a sale is \$100 [~~\$20~~] or more but less than \$750 [~~\$500~~];

(3) Class A misdemeanor if the amount of the record of a sale is \$750 [~~\$500~~] or more but less than \$2,500 [~~\$1,500~~];

(4) state jail felony if the amount of the record of a sale is \$2,500 [~~\$1,500~~] or more but less than \$30,000 [~~\$20,000~~];

(5) felony of the third degree if the amount of the record of a sale is \$30,000 [~~\$20,000~~] or more but less than \$150,000 [~~\$100,000~~];

(6) felony of the second degree if the amount of the record of a sale is \$150,000 [~~\$100,000~~] or more but less than \$300,000 [~~\$200,000~~]; or

(7) felony of the first degree if the amount of the record of a sale is \$300,000 [~~\$200,000~~] or more.

SECTION 20. Section 32.441(e), Penal Code, is amended to read as follows:

(e) An offense under this section is a:

(1) Class C misdemeanor if the value of the benefit is less than \$100 [~~\$20~~];

(2) Class B misdemeanor if the value of the benefit is \$100 [~~\$20~~] or more but less than \$750 [~~\$500~~];

(3) Class A misdemeanor if the value of the benefit is \$750 [~~\$500~~] or more but less than \$2,500 [~~\$1,500~~];

(4) state jail felony if the value of the benefit is \$2,500 [~~\$1,500~~] or more but less than \$30,000 [~~\$20,000~~];

(5) felony of the third degree if the value of the benefit is \$30,000 [~~\$20,000~~] or more but less than \$150,000 [~~\$100,000~~];

(6) felony of the second degree if the value of the benefit is \$150,000 [~~\$100,000~~] or more but less than \$300,000 [~~\$200,000~~]; or

(7) felony of the first degree if the value of the benefit is \$300,000 [~~\$200,000~~] or more.

SECTION 21. Section 32.45(c), Penal Code, is amended to read as follows:

(c) An offense under this section is:

(1) a Class C misdemeanor if the value of the property misapplied is less than \$100 [~~\$20~~];

(2) a Class B misdemeanor if the value of the property misapplied is \$100 [~~\$20~~] or more but less than \$750 [~~\$500~~];

(3) a Class A misdemeanor if the value of the property misapplied is \$750 [~~\$500~~] or more but less than \$2,500 [~~\$1,500~~];

(4) a state jail felony if the value of the property misapplied is \$2,500 [~~\$1,500~~] or more but less than \$30,000 [~~\$20,000~~];

(5) a felony of the third degree if the value of the property misapplied is \$30,000 [~~\$20,000~~] or more but less than \$150,000 [~~\$100,000~~];

(6) a felony of the second degree if the value of the property misapplied is \$150,000 [~~\$100,000~~] or more but less than \$300,000 [~~\$200,000~~]; or

(7) a felony of the first degree if the value of the property misapplied is \$300,000 [~~\$200,000~~] or more.

SECTION 22. Section 32.46(b), Penal Code, is amended to read as follows:

(b) An offense under Subsection (a)(1) is a:

(1) Class C misdemeanor if the value of the property, service, or pecuniary interest is less than \$100 [~~\$20~~];

(2) Class B misdemeanor if the value of the property, service, or pecuniary interest is \$100 [~~\$20~~] or more but less than \$750 [~~\$500~~];

(3) Class A misdemeanor if the value of the property, service, or pecuniary interest is \$750 [~~\$500~~] or more but less than \$2,500 [~~\$1,500~~];

(4) state jail felony if the value of the property, service, or pecuniary interest is \$2,500 [~~\$1,500~~] or more but less than \$30,000 [~~\$20,000~~];

(5) felony of the third degree if the value of the property, service, or pecuniary interest is \$30,000 [~~\$20,000~~] or more but less than \$150,000 [~~\$100,000~~];

(6) felony of the second degree if the value of the property, service, or pecuniary interest is \$150,000 [~~\$100,000~~] or more but less than \$300,000 [~~\$200,000~~]; or

(7) felony of the first degree if the value of the property, service, or pecuniary interest is \$300,000 [~~\$200,000~~] or more.

SECTION 23. Section 33.02(b-2), Penal Code, is amended to read as follows:

(b-2) An offense under Subsection (b-1) is:

(1) a Class C misdemeanor if the aggregate amount involved is less than \$100;

(2) a Class B misdemeanor if the aggregate amount involved is \$100 or more but less than \$750;

(3) a Class A misdemeanor if the aggregate amount involved is \$750 or more but less than \$2,500;

(4) ~~[(1)]~~ a state jail felony if the aggregate amount involved is \$2,500 or more but less than \$30,000 [~~\$20,000~~];

(5) ~~[(2)]~~ a felony of the third degree if the aggregate amount involved is \$30,000 [~~\$20,000~~] or more but less than \$150,000 [~~\$100,000~~];

(6) ~~[(3)]~~ a felony of the second degree if:

(A) the aggregate amount involved is \$150,000 [~~\$100,000~~] or more but less than \$300,000 [~~\$200,000~~];

(B) the aggregate amount involved is any amount less than \$300,000 [~~\$200,000~~] and the computer, computer network, or computer system is owned by the government or a critical infrastructure facility; or

(C) the actor obtains the identifying information of another by accessing only one computer, computer network, or computer system; or

(7) ~~(4)~~ a felony of the first degree if:

(A) the aggregate amount involved is \$300,000 ~~[\$200,000]~~ or more; or

(B) the actor obtains the identifying information of another by accessing more than one computer, computer network, or computer system.

SECTION 24. Section 34.02(e), Penal Code, is amended to read as follows:

(e) An offense under this section is:

(1) a state jail felony if the value of the funds is \$2,500 ~~[\$1,500]~~ or more but less than \$30,000 ~~[\$20,000]~~;

(2) a felony of the third degree if the value of the funds is \$30,000 ~~[\$20,000]~~ or more but less than \$150,000 ~~[\$100,000]~~;

(3) a felony of the second degree if the value of the funds is \$150,000 ~~[\$100,000]~~ or more but less than \$300,000 ~~[\$200,000]~~; or

(4) a felony of the first degree if the value of the funds is \$300,000 ~~[\$200,000]~~ or more.

SECTION 25. Section 35.02(c), Penal Code, is amended to read as follows:

(c) An offense under Subsection (a) or (b) is:

(1) a Class C misdemeanor if the value of the claim is less than \$100 ~~[\$50]~~;

(2) a Class B misdemeanor if the value of the claim is \$100 ~~[\$50]~~ or more but less than \$750 ~~[\$500]~~;

(3) a Class A misdemeanor if the value of the claim is \$750 ~~[\$500]~~ or more but less than \$2,500 ~~[\$1,500]~~;

(4) a state jail felony if the value of the claim is \$2,500 ~~[\$1,500]~~ or more but less than \$30,000 ~~[\$20,000]~~;

(5) a felony of the third degree if the value of the claim is \$30,000 ~~[\$20,000]~~ or more but less than \$150,000 ~~[\$100,000]~~;

(6) a felony of the second degree if the value of the claim is \$150,000 ~~[\$100,000]~~ or more but less than \$300,000 ~~[\$200,000]~~; or

(7) a felony of the first degree if:

(A) the value of the claim is \$300,000 ~~[\$200,000]~~ or more; or

(B) an act committed in connection with the commission of the offense places a person at risk of death or serious bodily injury.

SECTION 26. Section 35.025(b), Penal Code, is amended to read as follows:

(b) If goods or services that are the subject of a claim cannot be reasonably ascertained under Subsection (a), the goods or services are considered to have a value of \$750 ~~[\$500]~~ or more but less than \$2,500 ~~[\$1,500]~~.

SECTION 27. Section 35A.02(b), Penal Code, is amended to read as follows:

(b) An offense under this section is:

(1) a Class C misdemeanor if the amount of any payment or the value of any monetary or in-kind benefit provided or claim for payment made under the Medicaid program, directly or indirectly, as a result of the conduct is less than \$100 [~~\$50~~];

(2) a Class B misdemeanor if the amount of any payment or the value of any monetary or in-kind benefit provided or claim for payment made under the Medicaid program, directly or indirectly, as a result of the conduct is \$100 [~~\$50~~] or more but less than \$750 [~~\$500~~];

(3) a Class A misdemeanor if the amount of any payment or the value of any monetary or in-kind benefit provided or claim for payment made under the Medicaid program, directly or indirectly, as a result of the conduct is \$750 [~~\$500~~] or more but less than \$2,500 [~~\$1,500~~];

(4) a state jail felony if:

(A) the amount of any payment or the value of any monetary or in-kind benefit provided or claim for payment made under the Medicaid program, directly or indirectly, as a result of the conduct is \$2,500 [~~\$1,500~~] or more but less than \$30,000 [~~\$20,000~~];

(B) the offense is committed under Subsection (a)(11); or

(C) it is shown on the trial of the offense that the amount of the payment or value of the benefit described by this subsection cannot be reasonably ascertained;

(5) a felony of the third degree if:

(A) the amount of any payment or the value of any monetary or in-kind benefit provided or claim for payment made under the Medicaid program, directly or indirectly, as a result of the conduct is \$30,000 [~~\$20,000~~] or more but less than \$150,000 [~~\$100,000~~]; or

(B) it is shown on the trial of the offense that the defendant submitted more than 25 but fewer than 50 fraudulent claims under the Medicaid program and the submission of each claim constitutes conduct prohibited by Subsection (a);

(6) a felony of the second degree if:

(A) the amount of any payment or the value of any monetary or in-kind benefit provided or claim for payment made under the Medicaid program, directly or indirectly, as a result of the conduct is \$150,000 [~~\$100,000~~] or more but less than \$300,000 [~~\$200,000~~]; or

(B) it is shown on the trial of the offense that the defendant submitted 50 or more fraudulent claims under the Medicaid program and the submission of each claim constitutes conduct prohibited by Subsection (a); or

(7) a felony of the first degree if the amount of any payment or the value of any monetary or in-kind benefit provided or claim for payment made under the Medicaid program, directly or indirectly, as a result of the conduct is \$300,000 [~~\$200,000~~] or more.

SECTION 28. Section 39.02(c), Penal Code, is amended to read as follows:

(c) An offense under Subsection (a)(2) is:

(1) a Class C misdemeanor if the value of the use of the thing misused is less than \$100 [~~\$20~~];

(2) a Class B misdemeanor if the value of the use of the thing misused is \$100 [~~\$20~~] or more but less than \$750 [~~\$500~~];

(3) a Class A misdemeanor if the value of the use of the thing misused is \$750 [~~\$500~~] or more but less than \$2,500 [~~\$1,500~~];

(4) a state jail felony if the value of the use of the thing misused is \$2,500 [~~\$1,500~~] or more but less than \$30,000 [~~\$20,000~~];

(5) a felony of the third degree if the value of the use of the thing misused is \$30,000 [~~\$20,000~~] or more but less than \$150,000 [~~\$100,000~~];

(6) a felony of the second degree if the value of the use of the thing misused is \$150,000 [~~\$100,000~~] or more but less than \$300,000 [~~\$200,000~~]; or

(7) a felony of the first degree if the value of the use of the thing misused is \$300,000 [~~\$200,000~~] or more.

SECTION 29. (a) A commission is created to study and review all penal laws of this state other than criminal offenses:

(1) under the Penal Code;

(2) under Chapter 481, Health and Safety Code; or

(3) related to the operation of a motor vehicle.

(b) The commission shall:

(1) evaluate all laws described by Subsection (a) of this section; and

(2) make recommendations to the legislature regarding the repeal of laws that are identified as being unnecessary, unclear, duplicative, overly broad, or otherwise insufficient to serve the intended purpose of the law.

(c) The commission is composed of nine members appointed as follows:

(1) two members appointed by the governor;

(2) two members appointed by the lieutenant governor;

(3) two members appointed by the speaker of the house of representatives;

(4) two members appointed by the chief justice of the Supreme Court of Texas; and

(5) one member appointed by the presiding judge of the Texas Court of Criminal Appeals.

(d) The officials making appointments to the commission under Subsection (c) of this section shall ensure that the membership of the commission includes representatives of all areas of the criminal justice system, including prosecutors, defense attorneys, judges, legal scholars, and relevant business interests.

(e) The governor shall designate one member of the commission to serve as the presiding officer of the commission.

(f) A member of the commission is not entitled to compensation or reimbursement of expenses.

(g) The commission shall meet at the call of the presiding officer.

(h) Not later than November 1, 2016, the commission shall report the commission's findings and recommendations to the governor, the lieutenant governor, the speaker of the house of representatives, the Supreme Court of Texas, the Texas Court of Criminal Appeals, and the standing committees of the

house of representatives and the senate with primary jurisdiction over criminal justice. The commission shall include in its recommendations any specific statutes that the commission recommends revising or repealing.

(i) Not later than November 1, 2015, the governor, the lieutenant governor, the speaker of the house of representatives, the chief justice of the Supreme Court of Texas, and the presiding judge of the Texas Court of Criminal Appeals shall appoint the members of the commission created under this section.

(j) The commission is abolished and this section expires December 31, 2016.

SECTION 30. (a) The changes in law made by this Act to the Penal Code apply only to an offense committed on or after the effective date of this Act. An offense committed before the effective date of this Act is governed by the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose. For purposes of this subsection, an offense was committed before the effective date of this Act if any element of the offense occurred before that date.

(b) The change in law made by Section 311.035, Government Code, as added by this Act, applies only to a criminal proceeding that commences on or after the effective date of this Act. A criminal proceeding that commences before the effective date of this Act is governed by the law in effect on the date the proceeding commenced, and the former law is continued in effect for that purpose.

SECTION 31. This Act takes effect September 1, 2015.

Representative Workman moved to adopt the conference committee report on **HB 1396**.

The motion to adopt the conference committee report on **HB 1396** prevailed by (Record 1816): 141 Yeas, 2 Nays, 2 Present, not voting.

Yeas — Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Simpson; Smith; Smithee; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.



Nays — Fletcher; Spitzer.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Allen; Dukes.

### STATEMENT OF VOTE

When Record No. 1816 was taken, I was shown voting no. I intended to vote yes.

Spitzer

### HR 3507 - ADOPTED (by Guillen)

The following privileged resolution was laid before the house:

#### HR 3507

BE IT RESOLVED by the House of Representatives of the State of Texas, 84th Legislature, Regular Session, 2015, That House Rule 13, Section 9(a), be suspended in part as provided by House Rule 13, Section 9(f), to enable the conference committee appointed to resolve the differences on **HB 928** (the management of water, including the authority of certain entities to issue bonds to finance certain water resource projects) to consider and take action on the following matters:

(1) House Rule 13, Section 9(a)(4), is suspended to permit the committee to add text on a matter not included in either the house or senate version of the bill by adding proposed SECTIONS 5 and 11 to the bill, amending Section 11.139, Water Code, and governing the applicability of the amendment, to read as follows:

SECTION 5. Section 11.139, Water Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) Except as provided by Section 11.148 [~~of this code~~], the commission may grant an emergency permit, order, or amendment to an existing permit, certified filing, or certificate of adjudication after notice to the governor for an initial period of not more than 270 [~~120~~] days if the commission finds that:

(1) emergency conditions exist which present an imminent threat to the public health and safety and which override the necessity to comply with established statutory procedures; and

(2) there are no feasible practicable alternatives to the emergency authorization.

(a-1) Such emergency action may be renewed once for not longer than 60 days.

SECTION 11. The change in law made by Section 5 of this Act applies only to an application for an emergency authorization or renewal of an emergency authorization that is submitted to the Texas Commission on Environmental Quality on or after the effective date of that section. An application for an emergency authorization or renewal of an emergency

authorization that is submitted to the commission before the effective date of that section is governed by the law in effect immediately before the effective date of that section, and that law is continued in effect for that purpose.

Explanation: The addition of text is necessary to extend the initial period of certain emergency authorizations to use state water issued by the Texas Commission on Environmental Quality.

(2) House Rule 13, Sections 9(a)(1) and (3), are suspended to permit the committee to change, alter, or amend text and to add text on a matter not in disagreement in proposed SECTION 12 of the bill, the effective date provision of the bill, to read as follows:

SECTION 12. (a) Except as provided by Subsection (b) of this section, this Act takes effect September 1, 2015.

(b) Sections 5 and 11 of this Act take effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for those sections to have immediate effect, those sections take effect September 1, 2015.

Explanation: The change in the effective date provision is necessary to ensure that the amendment to Section 11.139, Water Code, extending the initial period of certain emergency authorizations to use state water issued by the Texas Commission on Environmental Quality, takes effect immediately if **HB 928** receives a vote of two-thirds of all the members elected to each house.

(3) House Rule 13, Section 9(a)(4), is suspended to permit the committee to add text on a matter not included in either the house or senate version of the bill by adding proposed SECTION 7 to the bill, amending Section 1372.042, Government Code, to read as follows:

SECTION 7. Section 1372.042, Government Code, is amended by adding Subsection (b-1) and amending Subsection (c) to read as follows:

(b-1) Notwithstanding Subsections (a), (a-1), and (b), an issuer shall close on bonds issued for a water resource project that is part of the state water plan or an approved initially prepared regional water plan for Regional Water Planning Area L, as designated under Section 16.053, Water Code, submitted to the Texas Water Development Board and for which a reservation was granted after August 15 not later than the 220th day after the reservation date.

(c) Notwithstanding Subsections (a), (a-1), ~~[and]~~ (b), and (b-1), if the 120-day period, the 150-day period, ~~[or]~~ the 180-day period, or the 220-day period, as applicable, expires on or after December 24 of the year in which the reservation was granted, the issuer shall close on the bonds before December 24, except that if the applicable period expires after December 31 of that year, the issuer may notify the board in writing before December 24 of the issuer's election to carry forward the reservation and of the issuer's expected bond closing date. In compliance with the requirements of Section 146(f), Internal Revenue Code of 1986, the board shall file in a timely manner a carryforward election with respect to any bonds expected to close after December 31 to permit the bonds to close by the expected date, except that the board may not file the carryforward election after February 15 of the year following the year in which the reservation

was granted. The grant of the reservation for the balance of the 120-day period, the 150-day period, ~~or~~ the 180-day period, or the 220-day period, as applicable, is automatically and immediately reinstated on the board's filing of a carryforward election with respect to the reservation.

Explanation: The addition of text is necessary to extend the deadline for closing on bonds issued for a water resource project that is part of the state water plan or an approved initially prepared regional water plan for Regional Water Planning Area L.

(4) House Rule 13, Section 9(a)(4), is suspended to permit the committee to add text on a matter not included in either the house or senate version of the bill by adding proposed SECTION 8 to the bill, amending Section 501.159, Local Government Code, to read as follows:

SECTION 8. Section 501.159, Local Government Code, is amended by adding Subsection (c) to read as follows:

(c) A corporation described by Section 501.107(a)(1) may issue bonds to finance a water resource project for Regional Water Planning Area L, as designated under Section 16.053, Water Code, that involves a minimum of 30,000 acre-feet, regardless of whether a request required by Subsection (a) has been made.

Explanation: The addition of text is necessary to allow a development corporation in certain border counties to issue bonds to finance a water resource project for Regional Water Planning Area L without a request for the project by the governing body of the development corporation or governmental unit in which the project is located.

**HR 3507** was adopted by (Record 1817): 135 Yeas, 8 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Smith; Smithee; Springer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Rinaldi; Schaefer; Simpson; Spitzer; Stickland; Tinderholt; Turner, E.S.; White, J.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Morrison.

### STATEMENT OF VOTE

When Record No. 1817 was taken, I was shown voting yes. I intended to vote no.

Cyrier

### HB 928 - CONFERENCE COMMITTEE REPORT ADOPTED

Representative Guillen submitted the following conference committee report on **HB 928**:

Austin, Texas, May 30, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 928** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Hinojosa  
Kolkhorst  
Campbell  
L. Taylor  
Perry

On the part of the senate

Guillen  
Ashby  
Kacal  
Lucio  
Nevárez

On the part of the house

**HB 928**, A bill to be entitled An Act relating to the management of water, including the authority of certain entities to issue bonds to finance certain water resource projects.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 10.003, Water Code, is amended to read as follows:

Sec. 10.003. CREATION AND MEMBERSHIP. (a) The council is composed of 25 ~~[23]~~ members appointed by the board. The board shall appoint:

(1) one member to represent each of the following entities or interest groups:

- (A) ~~[(1)]~~ Texas Commission on Environmental Quality;
- (B) ~~[(2)]~~ Department of Agriculture;
- (C) ~~[(3)]~~ Parks and Wildlife Department;
- (D) ~~[(4)]~~ State Soil and Water Conservation Board;
- (E) ~~[(5)]~~ Texas Water Development Board;
- (F) ~~[(6)]~~ regional water planning groups;
- (G) ~~[(7)]~~ federal agencies;
- (H) ~~[(8)]~~ municipalities;

(I) ~~[(9)]~~ groundwater conservation districts;  
 (J) ~~[(10)]~~ river authorities;  
 (K) ~~[(11)]~~ environmental groups;  
 (L) ~~[(12)]~~ irrigation districts;  
 (M) ~~[(13)]~~ institutional water users;  
 (N) ~~[(14)]~~ professional organizations focused on water conservation;

(O) ~~[(15)]~~ higher education;  
 (P) ~~[(16)]~~ agricultural groups;  
 (Q) ~~[(17)]~~ refining and chemical manufacturing;  
 (R) ~~[(18)]~~ electric generation;  
 (S) ~~[(19)]~~ mining and recovery of minerals;  
 (T) ~~[(20)]~~ landscape irrigation and horticulture;  
 (U) ~~[(21)]~~ water control and improvement districts;  
 (V) ~~[(22)]~~ rural water users; and  
 (W) ~~[(23)]~~ municipal utility districts; and

(2) two members to represent investor-owned utilities.

(b) Each entity or interest group described by Subsection (a) may recommend one or more persons to fill a ~~the~~ position on the council held by a ~~the~~ member who represents that entity or interest group. If one or more persons are recommended for a position on the council, the board shall appoint one of the persons recommended to fill the position.

SECTION 2. Section 10.004(a), Water Code, is amended to read as follows:

(a) Members of the council serve staggered terms of six years, with ~~seven or~~ eight or nine members' terms, as applicable, expiring August 31 of each odd-numbered year.

SECTION 3. Section 10.010, Water Code, is amended to read as follows:

Sec. 10.010. POWERS AND DUTIES OF COUNCIL. (a) The council shall:

- (1) monitor trends in water conservation implementation;
- (2) monitor new water conservation technologies for possible inclusion by the board as best management practices in the best management practices guide described by Section 16.0552 ~~[developed by the water conservation implementation task force under Chapter 109, Acts of the 78th Legislature, Regular Session, 2003];~~
- (3) monitor the effectiveness of the statewide water conservation public awareness program developed under Section 16.401 and associated local involvement in implementation of the program;
- (4) develop and implement a state water management resource library;
- (5) develop and implement a public recognition program for water conservation;
- (6) monitor the implementation of water conservation strategies by water users included in regional water plans; and
- (7) monitor target and goal guidelines for water conservation to be considered by the board and commission.

(b) To assist with drought preparedness and response, the council shall:

- (1) monitor and recommend strategies for responding to drought;
- (2) monitor new drought response technologies for possible inclusion by the board as best management practices in the best management practices guide described by Section 16.0552; and
- (3) recommend methodologies for conducting drought contingency plan evaluations described by Section 11.1272(g).

SECTION 4. Section 11.1272, Water Code, is amended by adding Subsections (f), (g), (h), and (i) to read as follows:

(f) A wholesale or retail public water supplier or irrigation district may review and update the supplier or district's drought contingency plan and submit to the commission the reviewed or updated plan.

(g) A wholesale or retail public water supplier or irrigation district may include in each reviewed or updated drought contingency plan submitted to the commission an evaluation of the effectiveness of strategies in the plan that were implemented by the supplier or district during any previous period of significant drought. The commission by rule may define "significant drought" for purposes of this subsection.

(h) A wholesale or retail public water supplier shall notify the commission not later than the fifth business day after the date the supplier implements, changes the manner of implementing, or ceases to implement a mandatory provision of the supplier's drought contingency plan. The commission by rule shall establish criteria for determining the actions that must be reported under this subsection.

(i) The commission shall maintain on its Internet website a list of wholesale and retail public water suppliers that are currently implementing a drought contingency plan that displays for each supplier:

- (1) the degree of drought severity in the county or counties in which the service area of the supplier is located;
- (2) whether the service area of the supplier is in a county subject to a declaration under Section 418.014 or 418.108, Government Code, of a state of disaster due to drought conditions; and
- (3) the drought response stage the supplier is implementing.

SECTION 5. Section 11.139, Water Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) Except as provided by Section 11.148 [~~of this code~~], the commission may grant an emergency permit, order, or amendment to an existing permit, certified filing, or certificate of adjudication after notice to the governor for an initial period of not more than 270 [~~120~~] days if the commission finds that:

(1) emergency conditions exist which present an imminent threat to the public health and safety and which override the necessity to comply with established statutory procedures; and

(2) there are no feasible practicable alternatives to the emergency authorization.

(a-1) Such emergency action may be renewed once for not longer than 60 days.

SECTION 6. Subchapter C, Chapter 16, Water Code, is amended by adding Section 16.0552 to read as follows:

Sec. 16.0552. BEST MANAGEMENT PRACTICES GUIDE. (a) In this section, "best management practices" has the meaning assigned by Section 11.002.

(b) The board, in coordination with the commission and the Water Conservation Advisory Council, shall:

(1) regularly review and update the water conservation best management practices guide developed by the water conservation implementation task force under Chapter 109 (SB 1094), Acts of the 78th Legislature, Regular Session, 2003; and

(2) include in the guide best management practices for drought response.

(c) The board shall make the guide available on its Internet website.

SECTION 7. Section 1372.042, Government Code, is amended by adding Subsection (b-1) and amending Subsection (c) to read as follows:

(b-1) Notwithstanding Subsections (a), (a-1), and (b), an issuer shall close on bonds issued for a water resource project that is part of the state water plan or an approved initially prepared regional water plan for Regional Water Planning Area L, as designated under Section 16.053, Water Code, submitted to the Texas Water Development Board and for which a reservation was granted after August 15 not later than the 220th day after the reservation date.

(c) Notwithstanding Subsections (a), (a-1), ~~and~~ (b), and (b-1), if the 120-day period, the 150-day period, ~~or~~ the 180-day period, or the 220-day period, as applicable, expires on or after December 24 of the year in which the reservation was granted, the issuer shall close on the bonds before December 24, except that if the applicable period expires after December 31 of that year, the issuer may notify the board in writing before December 24 of the issuer's election to carry forward the reservation and of the issuer's expected bond closing date. In compliance with the requirements of Section 146(f), Internal Revenue Code of 1986, the board shall file in a timely manner a carryforward election with respect to any bonds expected to close after December 31 to permit the bonds to close by the expected date, except that the board may not file the carryforward election after February 15 of the year following the year in which the reservation was granted. The grant of the reservation for the balance of the 120-day period, the 150-day period, ~~or~~ the 180-day period, or the 220-day period, as applicable, is automatically and immediately reinstated on the board's filing of a carryforward election with respect to the reservation.

SECTION 8. Section 501.159, Local Government Code, is amended by adding Subsection (c) to read as follows:

(c) A corporation described by Section 501.107(a)(1) may issue bonds to finance a water resource project for Regional Water Planning Area L, as designated under Section 16.053, Water Code, that involves a minimum of 30,000 acre-feet, regardless of whether a request required by Subsection (a) has been made.

SECTION 9. As soon as practicable after the effective date of this Act, the Texas Water Development Board shall appoint two additional members to the Water Conservation Advisory Council as required by Section 10.003(a)(2), Water Code, as added by this Act. The members appointed under this section serve terms expiring August 31, 2021.

SECTION 10. As soon as practicable after the effective date of this Act, the Texas Commission on Environmental Quality shall adopt rules as necessary to implement Section 11.1272, Water Code, as amended by this Act.

SECTION 11. The change in law made by Section 5 of this Act applies only to an application for an emergency authorization or renewal of an emergency authorization that is submitted to the Texas Commission on Environmental Quality on or after the effective date of that section. An application for an emergency authorization or renewal of an emergency authorization that is submitted to the commission before the effective date of that section is governed by the law in effect immediately before the effective date of that section, and that law is continued in effect for that purpose.

SECTION 12. (a) Except as provided by Subsection (b) of this section, this Act takes effect September 1, 2015.

(b) Sections 5 and 11 of this Act take effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for those sections to have immediate effect, those sections take effect September 1, 2015.

Representative Guillen moved to adopt the conference committee report on **HB 928**.

The motion to adopt the conference committee report on **HB 928** prevailed by (Record 1818): 136 Yeas, 8 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Smith; Smithee; Spitzer; Springer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; Workman; Wray; Wu; Zedler; Zerwas.



Nays — Hughes; Rinaldi; Schaefer; Simpson; Stickland; Tinderholt; White, J.; White, M.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes.

### STATEMENT OF VOTE

When Record No. 1818 was taken, I was shown voting yes. I intended to vote no.

Cyrier

### HB 2291 - CONFERENCE COMMITTEE REPORT ADOPTED

Representative Parker submitted the following conference committee report on **HB 2291**:

Austin, Texas, May 30, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 2291** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Perry  
Whitmire  
Huffman  
Creighton  
Burton

On the part of the senate

Parker  
Fallon  
Hernandez  
Meyer  
Paddie

On the part of the house

**HB 2291**, A bill to be entitled An Act relating to the payment of restitution to certain individuals depicted in child pornography and to increasing the punishment for certain individuals convicted of the offense of possession or promotion of child pornography.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article 42.037, Code of Criminal Procedure, is amended by adding Subsection (r) to read as follows:

(r) The court may order a defendant convicted of an offense under Section 43.26, Penal Code, to make restitution to an individual who as a child younger than 18 years of age was depicted in the visual material, in an amount equal to the expenses incurred by the individual as a result of the offense, including:

(1) medical services relating to physical, psychiatric, or psychological care;

(2) physical and occupational therapy or rehabilitation;

(3) necessary transportation, temporary housing, and child care expenses;

(4) lost income; and

(5) attorney's fees.

SECTION 2. Sections 43.26(d) and (g), Penal Code, are amended to read as follows:

(d) An offense under Subsection (a) is a felony of the third degree, except that the offense is:

(1) a felony of the second degree if it is shown on the trial of the offense that the person has been previously convicted one time of an offense under that subsection; and

(2) a felony of the first degree if it is shown on the trial of the offense that the person has been previously convicted two or more times of an offense under that subsection.

(g) An offense under Subsection (e) is a felony of the second degree, except that the offense is a felony of the first degree if it is shown on the trial of the offense that the person has been previously convicted of an offense under that subsection.

SECTION 3. The change in law made by this Act applies only to an offense committed on or after the effective date of this Act. An offense committed before the effective date of this Act is governed by the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense was committed before the effective date of this Act if any element of the offense occurred before that date.

SECTION 4. This Act takes effect September 1, 2015.

Representative Parker moved to adopt the conference committee report on **HB 2291**.

The motion to adopt the conference committee report on **HB 2291** prevailed by (Record 1819): 143 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer;

Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes; Turner, S.

### **SB 632 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Button submitted the conference committee report on **SB 632**.

Representative Button moved to adopt the conference committee report on **SB 632**.

The motion to adopt the conference committee report on **SB 632** prevailed by (Record 1820): 138 Yeas, 5 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Howard; Naishtat; Rodriguez, E.; Simpson; Tinderholt.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Anchia; Dukes.

### **STATEMENTS OF VOTE**

When Record No. 1820 was taken, I was shown voting yes. I intended to vote no.

S. King

When Record No. 1820 was taken, I was shown voting no. I intended to vote yes.

Tinderholt

**HR 3494 - MOTION TO ADOPT  
(by Springer)**

The following privileged resolution was laid before the house:

**HR 3494**, Suspending limitations on conference committee jurisdiction, **HB 1905**.

**HR 3494** failed of adoption by (Record 1821): 35 Yeas, 107 Nays, 2 Present, not voting. (The vote was reconsidered later today, and **HR 3494** was adopted by Record No. 1829.)

Yeas — Alonzo; Alvarado; Anchia; Anderson, R.; Bonnen, G.; Burrows; Canales; Capriglione; Dale; Darby; Davis, Y.; Faircloth; Farias; Farrar; González; Guerra; Guillen; Hernandez; McClendon; Miles; Moody; Muñoz; Oliveira; Otto; Pickett; Raymond; Reynolds; Romero; Simmons; Springer; Turner, C.; Walle; Wray; Wu; Zedler.

Nays — Allen; Anderson, C.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Burkett; Burns; Button; Clardy; Collier; Cook; Craddick; Crownover; Cyrier; Davis, S.; Deshotel; Dutton; Elkins; Fallon; Farney; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; Gutierrez; Harless; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; Metcalf; Meyer; Miller, D.; Miller, R.; Morrison; Murphy; Murr; Naishtat; Nevárez; Paddie; Paul; Peña; Phelan; Phillips; Price; Raney; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simpson; Smith; Smithee; Spitzer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; White, J.; White, M.; Workman; Zerwas.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Coleman; Dukes; Parker.

**STATEMENTS OF VOTE**

When Record No. 1821 was taken, I was shown voting yes. I intended to vote no.

Burrows

When Record No. 1821 was taken, I was shown voting no. I intended to vote yes.

Koop

When Record No. 1821 was taken, I was shown voting yes. I intended to vote no.

Muñoz

**HB 26 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Button submitted the following conference committee report on **HB 26**:

Austin, Texas, May 30, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 26** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Fraser  
Birdwell  
Estes  
Nichols  
Uresti

Button  
Ashby  
Springer  
E. Rodriguez

On the part of the senate

On the part of the house

**HB 26**, A bill to be entitled An Act relating to state economic development measures, including administration of the Texas Enterprise Fund, creation of the Economic Incentive Oversight Board and the governor's university research initiative, abolishment of the Texas emerging technology fund, and renaming the Major Events trust fund to the Major Events Reimbursement Program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1. GOVERNOR'S UNIVERSITY RESEARCH INITIATIVE;  
ABOLISHMENT OF TEXAS EMERGING TECHNOLOGY FUND

SECTION 1.01. Chapter 62, Education Code, is amended by adding Subchapter H to read as follows:

SUBCHAPTER H. GOVERNOR'S UNIVERSITY RESEARCH INITIATIVE

Sec. 62.161. DEFINITIONS. In this subchapter:

(1) "Distinguished researcher" means a researcher who is:

(A) a Nobel laureate; or

(B) a member of the National Academy of Sciences, the National Academy of Engineering, or the National Academy of Medicine, formerly known as the Institute of Medicine.

(2) "Eligible institution" means a general academic teaching institution or medical and dental unit.

(3) "Fund" means the governor's university research initiative fund established under this subchapter.

(4) "General academic teaching institution" has the meaning assigned by Section 61.003.

(5) "Medical and dental unit" has the meaning assigned by Section 61.003.

(6) "Office" means the Texas Economic Development and Tourism Office within the office of the governor.

(7) "Private or independent institution of higher education" has the meaning assigned by Section 61.003.

Sec. 62.162. ADMINISTRATION OF INITIATIVE. (a) The governor's university research initiative is administered by the Texas Economic Development and Tourism Office within the office of the governor.

(b) The office may adopt any rules the office considers necessary to administer this subchapter.

Sec. 62.163. MATCHING GRANTS TO RECRUIT DISTINGUISHED RESEARCHERS. (a) From the governor's university research initiative fund, the office shall award matching grants to assist eligible institutions in recruiting distinguished researchers.

(b) An eligible institution may apply to the office for a matching grant from the fund. If the office approves a grant application, the office shall award to the applicant institution a grant amount equal to the amount committed by the institution for the recruitment of a distinguished researcher.

(c) A grant application must identify the source and amount of the eligible institution's matching funds and must demonstrate that the proposed use of the grant has the support of the institution's president and of the institution's governing board, the chair of the institution's governing board, or the chancellor of the university system, if the institution is a component of a university system. An applicant eligible institution may commit for matching purposes any funds of the institution available for that purpose other than appropriated general revenue.

(d) A matching grant may not be used by an eligible institution to recruit a distinguished researcher from:

(1) another eligible institution; or

(2) a private or independent institution of higher education.

Sec. 62.164. GRANT AWARD CRITERIA; PRIORITIES. (a) In awarding grants, the office shall give priority to grant proposals that involve the recruitment of distinguished researchers in the fields of science, technology, engineering, mathematics, and medicine. With respect to proposals involving those fields, the office shall give priority to proposals that demonstrate a reasonable likelihood of contributing substantially to this state's national and global economic competitiveness.

(b) A grant proposal should identify a specific distinguished researcher being recruited.

Sec. 62.165. GOVERNOR'S UNIVERSITY RESEARCH INITIATIVE FUND. (a) The governor's university research initiative fund is a dedicated account in the general revenue fund.

(b) The fund consists of:

(1) amounts appropriated or otherwise allocated or transferred by law to the fund;

(2) money deposited to the fund under Section 62.166 of this subchapter or under Section 490.101(b-1), Government Code; and

(3) gifts, grants, and other donations received for the fund.

(c) The fund may be used by the office only for the purposes of this subchapter, including for necessary expenses incurred in the administration of the fund and this subchapter.

Sec. 62.166. WINDING UP OF CONTRACTS AND AWARDS IN CONNECTION WITH TEXAS EMERGING TECHNOLOGY FUND. (a) The governor's university research initiative is the successor to the Texas emerging technology fund. Awards from the Texas emerging technology fund shall be wound up in accordance with this section and Section 490.104, Government Code, and contracts governing awards from that fund shall be wound up in accordance with this section.

(b) If a contract governing an award from the Texas emerging technology fund provides for the distribution of royalties, revenue, or other financial benefits to the state, including royalties, revenue, or other financial benefits realized from the commercialization of intellectual or real property developed from an award from the fund, those royalties, revenues, or other financial benefits shall continue to be distributed in accordance with the terms of the contract unless the award recipient and the governor agree otherwise. Unless otherwise required by law, royalties, revenue, or other financial benefits accruing to the state under a contract described by this subsection, including any money returned or repaid to the state by an award recipient, shall be credited to the governor's university research initiative fund.

(c) If money awarded from the Texas emerging technology fund is encumbered by a contract executed before September 1, 2015, but has not been distributed before that date, the money shall be distributed from the governor's university research initiative fund in accordance with the terms of the contract, unless the award recipient and the governor agree otherwise.

(d) Except for an obligation regarding the distribution of royalties, revenue, or other financial benefits to the state as provided by Subsection (b), if money awarded from the Texas emerging technology fund under a contract executed before September 1, 2015, has been fully distributed and the entity that received the award has fully performed all specific actions under the terms of the contract governing the award, the entity is considered to have fully satisfied the entity's obligations under the contract. The entity shall file with the office a final report showing the purposes for which the award money has been spent and, if award money remains unspent, the purposes for which the recipient will spend the remaining money.

Sec. 62.167. CONFIDENTIALITY OF INFORMATION CONCERNING AWARDS FROM TEXAS EMERGING TECHNOLOGY FUND. (a) Except as provided by Subsection (b), information collected under former provisions of Chapter 490, Government Code, concerning the identity, background, finance, marketing plans, trade secrets, or other commercially or academically sensitive

information of an individual or entity that was considered for or received an award from the Texas emerging technology fund is confidential unless the individual or entity consents to disclosure of the information.

(b) The following information collected in connection with the Texas emerging technology fund is public information and may be disclosed under Chapter 552, Government Code:

(1) the name and address of an individual or entity that received an award from that fund;

(2) the amount of funding received by an award recipient;

(3) a brief description of the project funded under former provisions of Chapter 490, Government Code;

(4) if applicable, a brief description of the equity position that the governor, on behalf of the state, has taken in an entity that received an award from that fund; and

(5) any other information with the consent of:

(A) the governor;

(B) the lieutenant governor;

(C) the speaker of the house of representatives; and

(D) the individual or entity that received an award from that fund, if the information relates to that individual or entity.

Sec. 62.168. REPORTING REQUIREMENT. (a) Before the beginning of each regular session of the legislature the governor shall submit to the lieutenant governor, the speaker of the house of representatives, and the standing committees of each house of the legislature with primary jurisdiction over economic development and higher education matters and post on the office of the governor's Internet website a report on matching grants made to eligible institutions from the fund that states:

(1) the total amount of matching funds granted by the office;

(2) the total amount of matching funds granted to each recipient institution;

(3) a brief description of each distinguished researcher recruited by each recipient institution, including any amount of external research funding that followed the distinguished researcher to the institution;

(4) a brief description of the expenditures made from the matching grant funds for each distinguished researcher; and

(5) when available, a brief description of each distinguished researcher's contribution to the state's economic competitiveness, including:

(A) any patents issued to the distinguished researcher after accepting employment by the recipient institution; and

(B) any external research funding, public or private, obtained by the distinguished researcher after accepting employment by the recipient institution.

(a-1) The report may not include information that is made confidential by law.



(b) The governor may require an eligible institution that receives a matching grant under this subchapter to submit, on a form the governor provides, information required to complete the report.

SECTION 1.02. Subchapter C, Chapter 490, Government Code, is amended by adding Section 490.104 to read as follows:

Sec. 490.104. MANAGEMENT OF INVESTMENT PORTFOLIO; WINDING UP AND FINAL LIQUIDATION. (a) In this section, "state's emerging technology investment portfolio" means:

(1) the equity positions in the form of stock or other security the governor took, on behalf of the state, in companies that received awards under the Texas emerging technology fund; and

(2) any other investments made by the governor, on behalf of the state, and associated assets in connection with an award made under the Texas emerging technology fund.

(b) The Texas Treasury Safekeeping Trust Company shall manage and wind up the state's emerging technology investment portfolio. The trust company shall wind up the portfolio in a manner that, to the extent feasible, provides for the maximum return on the state's investment. In managing those investments and associated assets through procedures and subject to restrictions that the trust company considers appropriate, the trust company may acquire, exchange, sell, supervise, manage, or retain any kind of investment or associated assets that a prudent investor, exercising reasonable care, skill, and caution, would acquire or retain in light of the purposes, terms, distribution requirements, and other circumstances then prevailing pertinent to each investment or associated asset. The trust company may recover its reasonable and necessary costs incurred in the management of the portfolio from the earnings on the investments and associated assets in the portfolio.

(c) Any realized proceeds or other earnings from the sale of stock or other investments or associated assets in the state's emerging technology investment portfolio, less the amount permitted to be retained for payment of its costs for managing the portfolio as provided by Subsection (b), shall be remitted by the Texas Treasury Safekeeping Trust Company to the comptroller for deposit in the general revenue fund.

(d) The Texas Treasury Safekeeping Trust Company has any power necessary to accomplish the purposes of this section.

(e) On final liquidation of the state's emerging technology investment portfolio, the Texas Treasury Safekeeping Trust Company shall promptly notify the comptroller of that occurrence. As soon as practicable after receiving that notice, the comptroller shall verify that the final liquidation has been completed and, if the comptroller so verifies, shall certify to the governor that the final liquidation of the portfolio has been completed. The governor shall post notice of the certification on the office of the governor's Internet website.

(f) Any balance remaining in the Texas emerging technology fund on final liquidation by the Texas Treasury Safekeeping Trust Company shall be remitted to the comptroller for deposit in the general revenue fund.

SECTION 1.03. Section 490.101, Government Code, is amended by adding Subsections (b-1) and (b-2) to read as follows:

(b-1) Notwithstanding Subsection (b), benefits realized from a project undertaken with money from the fund, as provided by a contract entered into under former Section 490.103 before September 1, 2015, shall be deposited to the credit of the governor's university research initiative fund established under Subchapter H, Chapter 62, Education Code.

(b-2) The fund may be used only for the purposes described by Section 490.104.

SECTION 1.04. (a) The following laws are repealed:

(1) Sections 490.101(c), (d), (e), (f), (f-1), (g), (h), and (i), Government Code;

(2) Sections 490.102 and 490.103, Government Code; and

(3) Subchapters A, B, D, E, F, and G, Chapter 490, Government Code.

(b) The Texas emerging technology fund is continued solely for the purposes of winding up the contracts governing awards from that fund and the state's portfolio of equity positions and other investments and associated assets in connection with awards from that fund in accordance with Section 490.104, Government Code, as added by this Act. The Texas emerging technology fund is abolished and Sections 490.101(a), (b), (b-1), and (b-2), Government Code, are repealed when the comptroller certifies to the governor as provided by Section 490.104, Government Code, as added by this Act, that the final liquidation of the state's portfolio of equity positions and other investments and associated assets by the Texas Treasury Safekeeping Trust Company has been completed. On the effective date of this Act, any unencumbered fund balance in the Texas emerging technology fund may be appropriated in accordance with Subsection (e) of this section.

(c) The abolishment by this Act of the Texas emerging technology fund and the repeal of provisions of Chapter 490, Government Code, relating to that fund do not affect the validity of an agreement between the governor and the recipient of an award awarded under Chapter 490, or a person to be awarded money under that chapter, that is executed before September 1, 2015. Those agreements shall be performed as provided by Section 62.166, Education Code, as added by this Act.

(d) A regional center of innovation and commercialization established under Section 490.152, Government Code, is abolished on the effective date of this Act. Each center shall transfer to the office of the governor a copy of any meeting minutes required to be retained under Section 490.1521, Government Code, as that section existed immediately before that section's repeal by this Act, and the office shall retain the minutes for the period prescribed by that section.

(e) Any unencumbered balance of the Texas emerging technology fund may be appropriated only to one or more of the following:

(1) the Texas Research Incentive Program (TRIP) under Subchapter F, Chapter 62, Education Code;

(2) the Texas research university fund, subject to Subsection (f) of this section;

(3) the governor's university research initiative fund established under Subchapter H, Chapter 62, Education Code, as added by this Act;

(4) the Texas Enterprise Fund established under Section 481.078, Government Code; and

(5) the comptroller for the purposes of expenses incurred in managing the state's portfolio of equity positions and other investments in connection with awards from the Texas emerging technology fund in accordance with Section 490.104, Government Code, as added by this Act.

(f) The authority of the Texas research university fund to receive the appropriation described by Subsection (e) of this section is contingent on passage and enactment of **HB 1000**, or similar legislation relating to state support for general academic teaching institutions in this state by the 84th Legislature, Regular Session, 2015, that renames the existing Texas competitive knowledge fund and changes the purposes for which the fund can be used.

(f-1) On the effective date of this Act, the comptroller of public accounts shall transfer the encumbered balance of the Texas emerging technology fund to the credit of the governor's university research initiative fund established under Subchapter H, Chapter 62, Education Code, as added by this Act, for the purposes of Section 62.166, Education Code, as added by this Act.

(g) Except as provided by this Act, on September 1, 2015, the following powers, duties, functions, and activities performed by the office of the governor immediately before that date are transferred to the Texas Treasury Safekeeping Trust Company:

(1) all powers, duties, functions, and activities related to equity positions in the form of stock or other security the governor has taken, on behalf of the state, in companies that received awards under the Texas emerging technology fund before September 1, 2015; and

(2) all powers, duties, functions, and activities related to other investments made by the governor, on behalf of the state, and associated assets in connection with an award made under the Texas emerging technology fund before September 1, 2015.

(h) Notwithstanding the repeal by this Act of provisions of Chapter 490, Government Code, those provisions of Chapter 490 are continued in effect for the limited purpose of winding up contracts governing awards from the Texas emerging technology fund in accordance with Section 62.166, Education Code, as added by this Act, and of winding up the state's portfolio of equity positions and other investments and associated assets in connection with awards from that fund in accordance with Section 490.104, Government Code, as added by this Act.

## ARTICLE 2. ECONOMIC INCENTIVE OVERSIGHT BOARD

SECTION 2.01. Subtitle F, Title 4, Government Code, is amended by adding Chapter 490G to read as follows:

### CHAPTER 490G. ECONOMIC INCENTIVE OVERSIGHT BOARD

Sec. 490G.001. DEFINITIONS. In this chapter:

(1) "Board" means the Economic Incentive Oversight Board.

(2) "Monetary incentive" means a grant, loan, or other form of monetary incentive paid from state revenues, including a state trust fund, that a business entity or other person may receive in exchange for or as a result of conducting an activity with an economic development purpose.

(2-a) "Rural county" means a county with a population of less than 60,000.

(3) "Tax incentive" means any exemption, deduction, credit, exclusion, waiver, rebate, discount, deferral, or other abatement or reduction of state tax liability of a business entity or other person that the person may receive in exchange for or as a result of conducting an activity with an economic development purpose.

Sec. 490G.002. ESTABLISHMENT AND COMPOSITION. (a) The Economic Incentive Oversight Board is an advisory body composed of nine members as follows:

(1) two public members appointed by the speaker of the house of representatives, one of whom must be from a rural county;

(2) two public members appointed by the lieutenant governor, one of whom must be from a rural county;

(3) two public members appointed by the comptroller; and

(4) three public members appointed by the governor.

(b) In appointing members of the board, each appointing officer shall appoint one member who has expertise in the area of economic development.

(c) A member of the board serves at the pleasure of the appointing officer.

(d) The board members are entitled to reimbursement for actual and necessary expenses incurred by the members in serving on the board as provided by Chapter 660 and the General Appropriations Act.

(e) The office of the governor shall provide administrative support and staff to the board.

Sec. 490G.003. PRESIDING OFFICER. The governor shall appoint the presiding officer of the board.

Sec. 490G.004. MEETINGS. (a) The board shall meet at least annually at the call of the presiding officer.

(b) The board may hold a meeting by telephone conference call or videoconference.

(c) A board meeting held under Subsection (b) is subject to the requirements of Subchapter F, Chapter 551, Government Code, except that a quorum of the board is not required to be physically present at one location of the meeting.

Sec. 490G.005. REVIEW OF CERTAIN STATE INCENTIVE PROGRAMS; PERFORMANCE MATRIX. (a) The board shall examine the effectiveness and efficiency of programs and funds administered by the office of the governor, the comptroller, or the Department of Agriculture that award to business entities and other persons state monetary or tax incentives for which the governor, comptroller, or department has discretion in determining whether or not to award the incentives.

(b) The board shall develop a performance matrix that clearly establishes the economic performance indicators, measures, and metrics that will guide the board's evaluations of those programs and funds.

Sec. 490G.006. SCHEDULE OF REVIEW; RECOMMENDATION TO LEGISLATIVE AUDIT COMMITTEE. (a) The board shall develop a schedule for the periodic review of each state incentive program or fund described by Section 490G.005 for the purposes of making recommendations on whether to continue the program or fund or whether to improve program or fund effectiveness and efficiency. The board shall review and make recommendations to the legislature regarding each program or fund according to the review schedule.

(b) After conducting a review of a state incentive program or fund under this chapter, the board may recommend to the legislative audit committee that an audit of the program or fund be included in the audit plan under Section 321.013.

Sec. 490G.007. BIENNIAL REPORT. Not later than January 1 of each odd-numbered year, the board shall submit to the lieutenant governor, the speaker of the house of representatives, and each standing committee of the senate and house of representatives with primary jurisdiction over economic development a report containing findings and recommendations resulting from each review of state incentive programs and funds conducted by the board under this chapter during the preceding two calendar years.

Sec. 490G.008. CONFLICTS OF INTEREST. (a) A member of the board who has a substantial interest in a business entity or other person that previously applied for or received a state monetary or tax incentive from a program or fund subject to review by the board shall disclose that interest in writing to the board.

(b) A board member who has a business, commercial, or other relationship, other than an interest described by Subsection (a), that could reasonably be expected to diminish the person's independence of judgment in the performance of the person's responsibilities in relation to the board shall disclose the relationship in writing to the board.

Sec. 490G.009. CONFIDENTIALITY OF INFORMATION. The provision of information that is confidential by law to the board does not affect the confidentiality of the information.

SECTION 2.02. As soon as practicable after the effective date of this Act, the appointing officials shall appoint members to the Economic Incentive Oversight Board established under Chapter 490G, Government Code, as added by this article.

### ARTICLE 3. TEXAS ENTERPRISE FUND

SECTION 3.01. Section 481.078(e), Government Code, is amended to read as follows:

(e) The administration of the fund is considered to be a trustee program within the office of the governor. The governor may negotiate on behalf of the state regarding awarding, by grant, money appropriated from the fund. The governor may award money appropriated from the fund only with the prior approval of the lieutenant governor and speaker of the house of representatives. For purposes of this subsection, an award of money appropriated

from the fund is considered disapproved by the lieutenant governor or speaker of the house of representatives if that officer does not approve the proposal to award the grant before the 31st ~~[91st]~~ day after the date of receipt of the proposal from the governor. The lieutenant governor or the speaker of the house of representatives may extend the review deadline applicable to that officer for an additional 14 days by submitting a written notice to that effect to the governor before the expiration of the initial review period.

#### ARTICLE 4. RENAMING OF MAJOR EVENTS TRUST FUND

SECTION 4.01. The heading to Section 5A, Chapter 1507 (**SB 456**), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 5A. PAYMENT OF STATE AND MUNICIPAL OR COUNTY OBLIGATIONS UNDER[;] MAJOR EVENTS REIMBURSEMENT PROGRAM ~~[TRUST FUND]~~.

SECTION 4.02. Sections 5A(a-1), (d), (d-1), (e), (f), (g), (h), (j), (k), (l), (m), (w), and (y), Chapter 1507 (**SB 456**), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), are amended to read as follows:

(a-1) An event not listed in Subsection (a)(4) of this section is ineligible for funding under this section. A listed event may receive funding through the Major Events Reimbursement Program under this section only if:

(1) a site selection organization selects a site located in this state for the event to be held one time or, for an event scheduled to be held each year for a period of years under an event contract, or an event support contract, one time each year for the period of years, after considering, through a highly competitive selection process, one or more sites that are not located in this state;

(2) a site selection organization selects a site in this state as:

(A) the sole site for the event; or

(B) the sole site for the event in a region composed of this state and one or more adjoining states;

(3) the event is held not more than one time in any year; and

(4) the amount of the incremental increase in tax receipts determined by the comptroller under Subsection (b) of this section equals or exceeds \$1 million, provided that for an event scheduled to be held each year for a period of years under an event contract or event support contract, the incremental increase in tax receipts shall be calculated as if the event did not occur in the prior year.

(d) Each endorsing municipality or endorsing county participating in the Major Events Reimbursement Program shall remit to the comptroller and the comptroller shall deposit into a trust fund created by the comptroller and designated as the Major Events reimbursement program ~~[trust]~~ fund the amount of the municipality's or county's hotel occupancy tax revenue determined under Subsection (b)(4) or (b)(5) of this section, less any amount of the revenue that the municipality or county determines is necessary to meet the obligations of the municipality or county. The comptroller shall retain the amount of sales and use tax revenue and mixed beverage tax revenue determined under Subsection (b)(2) or (b)(3) of this section from the amounts otherwise required to be sent to the

municipality under Sections 321.502 and 183.051(b), Tax Code, or to the county under Sections 323.502 and 183.051(b), Tax Code, and deposit into the ~~[trust]~~ fund the tax revenues, less any amount of the revenue that the municipality or county determines is necessary to meet the obligations of the municipality or county. The comptroller shall begin retaining and depositing the local tax revenues with the first distribution of that tax revenue that occurs after the first day of the one-year period described by Subsection (b) of this section or at a time otherwise determined to be practicable by the comptroller and shall discontinue retaining the local tax revenues under this subsection when the amount of the applicable tax revenue determined under Subsection (b)(2) or (b)(3) of this section has been retained. The Major Events reimbursement program ~~[trust]~~ fund is established outside the state treasury and is held in trust by the comptroller for administration of this Act. Money in the ~~[trust]~~ fund may be disbursed by the comptroller without appropriation only as provided by this section.

(d-1) Not later than the 90th day after the last day of an event eligible for funding under the Major Events Reimbursement Program and in lieu of the local tax revenues remitted to or retained by the comptroller under Subsection (d) of this section, a municipality or county may remit to the comptroller for deposit in the Major Events reimbursement program ~~[trust]~~ fund other local funds in an amount equal to the total amount of local tax revenue determined under Subsections (b)(2) through (5) of this section. The amount deposited by the comptroller into the Major Events reimbursement program ~~[trust]~~ fund under this subsection is subject to Subsection (f) of this section.

(e) In addition to the tax revenue deposited in the Major Events reimbursement program ~~[trust]~~ fund under Subsection (d) of this section, an endorsing municipality or endorsing county may guarantee its obligations under an event support contract and this section by pledging surcharges from user fees, including parking or ticket fees, charged in connection with the event. An endorsing municipality or endorsing county may collect and remit to the comptroller surcharges and user fees attributable to the event for deposit into the Major Events reimbursement program ~~[trust]~~ fund.

(f) The comptroller shall deposit into the Major Events reimbursement program ~~[trust]~~ fund a portion of the state tax revenue not to exceed the amount determined under Subsection (b)(1) of this section in an amount equal to the prevailing state sales tax rate ~~[6.25]~~ times the amount of the local revenue retained or remitted under this section, including:

- (1) local sales and use tax revenue;
- (2) mixed beverage tax revenue;
- (3) hotel occupancy tax revenue; and
- (4) surcharge and user fee revenue.

(g) To meet its obligations under a game support contract or event support contract to improve, construct, renovate, or acquire facilities or to acquire equipment, an endorsing municipality by ordinance or an endorsing county by order may authorize the issuance of notes. An endorsing municipality or endorsing county may provide that the notes be paid from and secured by amounts on deposit or amounts to be deposited into the Major Events

reimbursement program [~~trust~~] fund or surcharges from user fees, including parking or ticket fees, charged in connection with the event. Any note issued must mature not later than seven years from its date of issuance.

(h) The funds in the Major Events reimbursement program [~~trust~~] fund may be used to pay the principal of and interest on notes issued by an endorsing municipality or endorsing county under Subsection (g) of this section and to fulfill obligations of the state or an endorsing municipality or endorsing county to a site selection organization under a game support contract or event support contract. Subject to Subsection (k) of this section, the obligations may include the payment of costs relating to the preparations necessary or desirable for the conduct of the event and the payment of costs of conducting the event, including improvements or renovations to existing facilities or other facilities and costs of acquisition or construction of new facilities or other facilities.

(j) Not later than the 30th day after the date a request of a local organizing committee, endorsing municipality, or endorsing county is submitted to the comptroller under Subsection (b-1) of this section, the comptroller shall provide an estimate of the total amount of tax revenue that would be deposited in the Major Events reimbursement program [~~trust~~] fund under this section in connection with that event, if the event were to be held in this state at a site selected pursuant to an application by a local organizing committee, endorsing municipality, or endorsing county. A local organizing committee, endorsing municipality, or endorsing county may submit the comptroller's estimate to a site selection organization.

(k) The comptroller may make a disbursement from the Major Events reimbursement program [~~trust~~] fund on the prior approval of each contributing endorsing municipality or endorsing county for a purpose for which a local organizing committee, an endorsing municipality, or an endorsing county or the state is obligated under a game support contract or event support contract. If an obligation is incurred under a games support contract or event support contract to make a structural improvement to the site or to add a fixture to the site for purposes of an event and that improvement or fixture is expected to derive most of its value in subsequent uses of the site for future events, a disbursement from the [~~trust~~] fund made for purposes of that obligation is limited to five percent of the cost of the improvement or fixture and the remainder of the obligation is not eligible for a disbursement from the [~~trust~~] fund, unless the improvement or fixture is for a publicly owned facility. In considering whether to make a disbursement from the [~~trust~~] fund, the comptroller may not consider a contingency clause in an event support contract as relieving a local organizing committee's, endorsing municipality's, or endorsing county's obligation to pay a cost under the contract. A disbursement may not be made from the [~~trust~~] fund that the comptroller determines would be used for the purpose of soliciting the relocation of a professional sports franchise located in this state.

(l) If a disbursement is made from the Major Events reimbursement program [~~trust~~] fund under Subsection (k), the obligation shall be satisfied proportionately from the state and local revenue in the [~~trust~~] fund.



(m) On payment of all state, municipal, or county obligations under a game support contract or event support contract related to the location of any particular event in the state, the comptroller shall remit to each endorsing entity, in proportion to the amount contributed by the entity, any money remaining in the [~~trust~~] fund.

(w) Not later than 10 months after the last day of an event eligible for disbursements from the Major Events reimbursement program [~~trust~~] fund for costs associated with the event, the comptroller using existing resources shall complete a study in the market area of the event on the measurable economic impact directly attributable to the preparation for and presentation of the event and related activities. The comptroller shall post on the comptroller's Internet website:

(1) the results of the study conducted under this subsection, including any source documentation or other information relied on by the comptroller for the study;

(2) the amount of incremental increase in tax receipts for the event determined under Subsection (b) of this section;

(3) the site selection organization documentation described in Subsection (p)(3) of this section;

(4) any source documentation or information described under Subsection (i) of this section that was relied on by the comptroller in making the determination of the amount of incremental increase in tax receipts under Subsection (b) of this section; and

(5) documentation verifying that:

(A) a request submitted by a local organizing committee, endorsing municipality, or endorsing county under Subsection (p) of this section is complete and certified as such by the comptroller;

(B) the determination on the amount of incremental increases in tax receipts under Subsection (b) of this section considered the information submitted by a local organizing committee, endorsing municipality, or endorsing county as required under Subsection (b-1) of this section; and

(C) each deadline established under this section was timely met.

(y) After the conclusion of an event, the comptroller shall compare information on the actual attendance figures provided to the comptroller under Subsection (i) of this section with the estimated attendance numbers used to determine the incremental increase in tax receipts under Subsection (b) of this section. If the actual attendance figures are significantly lower than the estimated attendance numbers, the comptroller may reduce the amount of a disbursement for an endorsing entity under the Major Events reimbursement program [~~trust~~] fund in proportion to the discrepancy between the actual and estimated attendance and in proportion to the amount contributed to the fund by the entity. The comptroller by rule shall define "significantly lower" for purposes of this subsection and provide the manner in which a disbursement may be proportionately reduced. This subsection does not affect the remittance of any money remaining in the fund in accordance with Subsection (m) of this section.

## ARTICLE 5. EFFECTIVE DATE

SECTION 5.01. This Act takes effect September 1, 2015.

Representative Button moved to adopt the conference committee report on **HB 26**.

The motion to adopt the conference committee report on **HB 26** prevailed by (Record 1822): 132 Yeas, 7 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Ashby; Aycock; Bell; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Smith; Smithee; Spitzer; Springer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Anderson, R.; Rinaldi; Schaefer; Simpson; Stickland; Tinderholt; White, M.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Bernal; Dale; Dukes; Elkins; King, T.; Lozano.

**STATEMENTS OF VOTE**

When Record No. 1822 was taken, my vote failed to register. I would have voted yes.

Bernal

When Record No. 1822 was taken, I was in the house but away from my desk. I would have voted yes.

Dale

**HR 3488 - ADOPTED  
(by Capriglione)**

The following privileged resolution was laid before the house:

**HR 3488**

BE IT RESOLVED by the House of Representatives of the State of Texas, 84th Legislature, Regular Session, 2015, That House Rule 13, Section 9(a), be suspended in part as provided by House Rule 13, Section 9(f), to enable the conference committee appointed to resolve the differences on **HB 1295** (the disclosure of research, research sponsors, and interested parties by persons contracting with governmental entities and state agencies) to consider and take action on the following matter:

House Rule 13, Section 9(a)(4), is suspended to permit the committee to add text on a matter not included in either the house or senate version of the bill by adding, in SECTION 2 of the bill, proposed Sections 51.955(b) and (c), Education Code, as follows:

(b) A state agency that expends appropriated funds may not:

(1) enter into a research contract with an institution of higher education if that contract contains a provision precluding public disclosure of any final data generated or produced in the course of executing the contract unless the agency reasonably determines that the premature disclosure of such data would adversely affect public safety, the protection of intellectual property rights of the institution of higher education, publication rights in professional scientific publications, or valuable confidential information of the institution of higher education or a third party; or

(2) adopt a rule that is based on research conducted under a contract entered into with an institution of higher education unless the agency:

(A) has made the results of the research and all data supporting the research publicly available; or

(B) reasonably determines that the premature disclosure of such data would adversely affect public safety, the protection of intellectual property rights of the institution of higher education, publication rights in professional scientific publications, or valuable confidential information of the institution of higher education or a third party.

(c) Subsection (b)(1) does not apply to a research contract between an institution of higher education and the Cancer Prevention and Research Institute of Texas.

Explanation: The change is necessary to protect public safety, certain intellectual property and publication rights, and certain valuable confidential information and to exempt the Cancer Prevention and Research Institute of Texas from disclosure of final data generated or produced in the course of executing a contract with an institution of higher education.

**HR 3488** was adopted by (Record 1823): 127 Yeas, 8 Nays, 3 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frullo; Galindo; Giddings;

Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Isaac; Israel; Johnson; Kacal; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Smith; Smithee; Springer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; Turner, S.; VanDeaver; Vo; Walle; White, J.; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Hunter; Murr; Rinaldi; Simpson; Spitzer; Stickland; Tinderholt; Turner, E.S.

Present, not voting — Mr. Speaker; Bonnen, D.(C); Geren.

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Coleman; Deshotel; Dukes; Frank; Keffer; Murphy; Phillips; Villalba; White, M.

### STATEMENT OF VOTE

When Record No. 1823 was taken, I was in the house but away from my desk. I would have voted yes.

M. White

### HB 1295 - CONFERENCE COMMITTEE REPORT ADOPTED

Representative Capriglione submitted the following conference committee report on **HB 1295**:

Austin, Texas, May 30, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 1295** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Hancock  
V. Taylor  
L. Taylor  
Watson

On the part of the senate

Capriglione  
Parker  
P. King  
Moody

On the part of the house

**HB 1295**, A bill to be entitled An Act relating to the disclosure of research, research sponsors, and interested parties by persons contracting with governmental entities and state agencies.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter Z, Chapter 51, Education Code, is amended by adding Section 51.954 to read as follows:

Sec. 51.954. DISCLOSURE OF SPONSORS OF RESEARCH IN PUBLIC COMMUNICATIONS. (a) In any public communication the content of which is based on the results of sponsored research, a faculty member or other employee or appointee of an institution of higher education who conducted or participated in conducting the research shall conspicuously disclose the identity of each sponsor of the research.

(b) In this section:

(1) "Institution of higher education" has the meaning assigned by Section 61.003.

(2) "Public communication" means oral or written communication intended for public consumption or distribution, including:

(A) testimony in a public administrative, legislative, regulatory, or judicial proceeding;

(B) printed matter including a magazine, journal, newsletter, newspaper, pamphlet, or report; or

(C) posting of information on a website or similar Internet host for information.

(3) "Sponsor" means an entity that contracts for or provides money or materials for research.

(4) "Sponsored research" means research:

(A) that is conducted under a contract with or a grant from an individual or entity, other than the institution conducting the research, for the purpose of the research; and

(B) in which payments received or the value of materials received under that contract or grant, or under a combination of more than one such contract or grant, constitutes at least 50 percent of the cost of conducting the research.

SECTION 2. Subchapter Z, Chapter 51, Education Code, is amended by adding Section 51.955 to read as follows:

Sec. 51.955. PROHIBITED STATE AGENCY ACTIONS RELATED TO DISCLOSURE OF PUBLICLY FUNDED RESEARCH. (a) In this section, "institution of higher education" has the meaning assigned by Section 61.003.

(b) A state agency that expends appropriated funds may not:

(1) enter into a research contract with an institution of higher education if that contract contains a provision precluding public disclosure of any final data generated or produced in the course of executing the contract unless the agency reasonably determines that the premature disclosure of such data would adversely affect public safety, the protection of intellectual property rights of the institution of higher education, publication rights in professional scientific publications, or valuable confidential information of the institution of higher education or a third party; or

(2) adopt a rule that is based on research conducted under a contract entered into with an institution of higher education unless the agency:

(A) has made the results of the research and all data supporting the research publicly available; or

(B) reasonably determines that the premature disclosure of such data would adversely affect public safety, the protection of intellectual property rights of the institution of higher education, publication rights in professional scientific publications, or valuable confidential information of the institution of higher education or a third party.

(c) Subsection (b)(1) does not apply to a research contract between an institution of higher education and the Cancer Prevention and Research Institute of Texas.

(d) A response to a request for information regarding research described by Subsection (b) must be made in accordance with Chapter 552, Government Code.

(e) This section does not require the public disclosure of personal identifying information or any other information the disclosure of which is otherwise prohibited by law.

SECTION 3. Subchapter Z, Chapter 2252, Government Code, is amended by adding Section 2252.908 to read as follows:

Sec. 2252.908. DISCLOSURE OF INTERESTED PARTIES. (a) In this section:

(1) "Business entity" means any entity recognized by law through which business is conducted, including a sole proprietorship, partnership, or corporation.

(2) "Governmental entity" means a municipality, county, public school district, or special-purpose district or authority.

(3) "Interested party" means a person who has a controlling interest in a business entity with whom a governmental entity or state agency contracts or who actively participates in facilitating the contract or negotiating the terms of the contract, including a broker, intermediary, adviser, or attorney for the business entity.

(4) "State agency" means a board, commission, office, department, or other agency in the executive, judicial, or legislative branch of state government. The term includes an institution of higher education as defined by Section 61.003, Education Code.

(b) This section applies only to a contract of a governmental entity or state agency that:

(1) requires an action or vote by the governing body of the entity or agency before the contract may be signed; or

(2) has a value of at least \$1 million.

(c) Notwithstanding Subsection (b), this section does not apply to:

(1) a sponsored research contract of an institution of higher education;

(2) an interagency contract of a state agency or an institution of higher education; or

(3) a contract related to health and human services if:

(A) the value of the contract cannot be determined at the time the contract is executed; and

(B) any qualified vendor is eligible for the contract.

(d) A governmental entity or state agency may not enter into a contract described by Subsection (b) with a business entity unless the business entity, in accordance with this section and rules adopted under this section, submits a disclosure of interested parties to the governmental entity or state agency at the time the business entity submits the signed contract to the governmental entity or state agency.

(e) The disclosure of interested parties must be submitted on a form prescribed by the Texas Ethics Commission that includes:

(1) a list of each interested party for the contract of which the contracting business entity is aware; and

(2) the signature of the authorized agent of the contracting business entity, acknowledging that the disclosure is made under oath and under penalty of perjury.

(f) Not later than the 30th day after the date the governmental entity or state agency receives a disclosure of interested parties required under this section, the governmental entity or state agency shall submit a copy of the disclosure to the Texas Ethics Commission.

(g) The Texas Ethics Commission shall adopt rules necessary to implement this section, prescribe the disclosure of interested parties form, and post a copy of the form on the commission's Internet website.

SECTION 4. (a) Not later than December 1, 2015, the Texas Ethics Commission shall adopt the rules, prescribe the disclosure of interested parties form, and post the form on the commission's Internet website as required by Section 2252.908, Government Code, as added by this Act.

(b) Section 2252.908, Government Code, as added by this Act, applies only to a contract entered into on or after January 1, 2016.

SECTION 5. This Act takes effect September 1, 2015.

Representative Capriglione moved to adopt the conference committee report on **HB 1295**.

The motion to adopt the conference committee report on **HB 1295** prevailed by (Record 1824): 144 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen;

Sheets; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes.

**HCR 147 - ADOPTED**  
**(by Keough)**

The following privileged resolution was laid before the house:

**HCR 147**

WHEREAS, **HB 3184** has been adopted by the house of representatives and the senate and is being prepared for enrollment; and

WHEREAS, The bill contains technical errors that should be corrected; now, therefore, be it

RESOLVED by the 84th Legislature of the State of Texas, Regular Session, 2015, That the enrolling clerk of the house of representatives be instructed to make the following correction:

In added Article 56.22(b), Code of Criminal Procedure, strike "establishes a pretrial victim-offender mediation program" and substitute "implements a pretrial victim-offender mediation program established".

**HCR 147** was adopted by (Record 1825): 144 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Bonnen, D.(C).



Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes.

**HB 15 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Otto submitted the following conference committee report on **HB 15**:

Austin, Texas, May 30, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 15** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Eltife  
Huffman  
Nelson

Otto  
Geren  
Gonzales  
Koop  
Walle

On the part of the senate

On the part of the house

**HB 15**, A bill to be entitled An Act relating to the management and oversight of state contracts, including contracts for information technology commodity items.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 821.009(b), Government Code, is amended to read as follows:

(b) Notwithstanding any other law and in addition to the requirements of Subchapter E, Chapter 2262, before a contract described by Subsection (a) may be entered into by the retirement system, a representative of the office of the attorney general shall review the form and terms of the contract and may make recommendations to the retirement system for changes to the contract if the attorney general determines that the office of the attorney general has sufficient subject matter expertise and resources available to provide this service.

SECTION 2. Section 825.103(g), Government Code, is amended to read as follows:

(g) Notwithstanding any other law and except as provided by Section 2262.202, Chapters 2261 and 2262 do not apply to the retirement system. The Contract Management and Oversight [~~Advisory~~] Team shall assist the retirement system at the request of the retirement system. The retirement system may use the training program for contract management provided under Chapter 2262.

SECTION 3. Section 2054.065(a)(2), Government Code, is amended to read as follows:

(2) "Team" means the Contract Management and Oversight [~~Advisory~~] Team established under Subchapter E [~~E~~], Chapter 2262.

SECTION 4. Sections 2165.356(a) and (b), Government Code, are amended to read as follows:

(a) Not later than the 60th day before the date the commission is scheduled to vote on approval of a qualifying project contract, the commission must submit to the Contract Management and Oversight [~~Advisory~~] Team established under Subchapter E [~~E~~], Chapter 2262, documentation of the modifications to a proposed qualifying project made during the commission's evaluation and negotiation process for the project, including a copy of:

- (1) the final draft of the contract;
- (2) the detailed qualifying project proposal; and
- (3) any executed interim or other agreement.

(b) The Contract Management and Oversight [~~Advisory~~] Team shall review the documentation submitted under Subsection (a) and provide written comments and recommendations to the commission. The review must focus on, but not be limited to, best practices for contract management and administration.

SECTION 5. Section 2166.2551, Government Code, is amended to read as follows:

Sec. 2166.2551. CONTRACT NOTIFICATION. The commission or an agency whose project is exempted from all or part of this chapter under Section 2166.003 shall provide written notice to the Legislative Budget Board of a contract for a construction project if the amount of the contract, including an amendment, modification, renewal, or extension of the contract, exceeds \$50,000 [~~\$14,000~~]. The notice must be on a form prescribed by the Legislative Budget Board and filed not later than the 10th day after the date the agency enters into the contract.

SECTION 6. Section 2254.006, Government Code, is amended to read as follows:

Sec. 2254.006. CONTRACT NOTIFICATION. A state agency, including an institution of higher education as defined by Section 61.003, Education Code, shall provide written notice to the Legislative Budget Board of a contract for professional services, other than a contract for physician or optometric services, if the amount of the contract, including an amendment, modification, renewal, or extension of the contract, exceeds \$50,000 [~~\$14,000~~]. The notice must be on a form prescribed by the Legislative Budget Board and filed not later than the 10th day after the date the agency enters into the contract.

SECTION 7. Section 2254.0301(a), Government Code, is amended to read as follows:

(a) A state agency shall provide written notice to the Legislative Budget Board of a contract for consulting services if the amount of the contract, including an amendment, modification, renewal, or extension of the contract, exceeds \$50,000 [~~\$14,000~~]. The notice must be on a form prescribed by the Legislative Budget Board and filed not later than the 10th day after the date the entity enters into the contract.

SECTION 8. Section 2262.001(1), Government Code, is amended to read as follows:

(1) "Team" means the Contract Management and Oversight ~~[Advisory]~~ Team created under Subchapter E ~~[E]~~.

SECTION 9. Section 2262.0015, Government Code, is amended to read as follows:

Sec. 2262.0015. APPLICABILITY TO CERTAIN CONTRACTS. (a) The comptroller by rule shall establish threshold requirements that exclude small or routine contracts, including purchase orders, from the application of Subchapters A, B, and D ~~[this chapter]~~.

(b) Subchapters A, B, and D do ~~[This chapter does]~~ not apply to an enrollment contract described by 1 T.A.C. Section 391.183 as that section existed on November 1, 2013.

SECTION 10. Section 2262.002(b), Government Code, is amended to read as follows:

(b) Except as otherwise provided by this chapter, this ~~[This]~~ chapter does not apply to contracts of the Texas Department of Transportation that:

- (1) relate to highway construction or highway engineering; or
- (2) are subject to Section 201.112, Transportation Code.

SECTION 11. Chapter 2262, Government Code, is amended by adding Subchapter E to read as follows:

#### SUBCHAPTER E. CONTRACT MANAGEMENT AND OVERSIGHT TEAM

Sec. 2262.201. DEFINITIONS. In this subchapter:

(1) "High-risk contract" means a state agency contract or purchase order that:

- (A) has a value of at least \$10 million;
- (B) has a value of less than \$10 million, but has high-risk factors as identified by the team;
- (C) is entered into with an entity that is incorporated outside of the United States;

(D) is entered into with an entity that, during the five-year period preceding the date of the purchase or award of the contract, has had a contract with a state agency or federal governmental entity terminated or canceled for:

(i) a violation of, or noncompliance with, the terms of the contract;

(ii) delivery of an ineffective product, service, or system;

(iii) significant delays or cost overruns;

(iv) fraud;

(v) misconduct; or

(vi) any other event that resulted in the termination or cancellation of the contract for cause; or

(E) meets other criteria that may be established by the team, including that the contract or purchase order:

(i) is awarded by an agency with significant audit findings related to contracting in the previous two fiscal years;

(ii) is expected to cost more than 20 percent of the awarding agency's budget available from all sources;

(iii) outsources a program or key function of a program of the awarding agency;

(iv) has a value of more than \$1 million and is awarded on an emergency basis or is a sole source contract; or

(v) has a value of more than \$1 million and has change orders that increase the cost of the contract by more than 20 percent of the original contract cost, excluding routine contract renewals.

(2) "Major information resources project" has the meaning assigned by Section 2054.003(10).

(3) "Quality assurance team" means the quality assurance team established under Section 2054.158.

(4) "Solicitation" means a solicitation for bids, offers, qualifications, proposals, or similar expressions of interest for a high-risk contract.

Sec. 2262.202. APPLICABILITY OF SUBCHAPTER. (a) This subchapter applies to contracts of the Texas Department of Transportation that:

(1) do not relate to highway construction or highway engineering; or

(2) are not subject to Section 201.112, Transportation Code.

(b) This subchapter does not apply to a contract of the Employees Retirement System of Texas or the Teacher Retirement System of Texas except for a contract with a nongovernmental entity for claims administration of a group health benefit plan under Subtitle H, Title 8, Insurance Code.

Sec. 2262.203. ESTABLISHMENT; GENERAL DUTIES. The Legislative Budget Board shall establish a Contract Management and Oversight Team to:

(1) develop criteria for identifying high-risk factors in contracts;

(2) consult with state agencies on and review high-risk contracts as provided by Section 2262.204;

(3) provide recommendations and assistance to state agency personnel throughout the contract management process;

(4) coordinate and consult with the quality assurance team on all high-risk contracts relating to a major information resources project; and

(5) coordinate and consult with the comptroller to:

(A) develop criteria for high-risk contracts under Section 2262.201(1)(E);

(B) identify strategies to mitigate contract risks; and

(C) monitor contract activity using information from the centralized accounting and payroll system or any successor system used to implement the enterprise resource planning component of the uniform statewide accounting project developed under Sections 2101.035 and 2101.036.

Sec. 2262.204. NOTICE AND REVIEW; WAIVER. (a) Each state agency must provide written notice to the team not later than the 30th day before the date the agency publicly releases solicitation documents for a high-risk contract.

(b) A state agency must submit to the team information and documentation requested by the team that relate to a high-risk contract, including information on contract development, vendor selection, and ongoing contract oversight.

(c) The team shall review information and documentation submitted under Subsection (b) and make recommendations to ensure that potential risks related to the high-risk contract have been identified and mitigated.

(d) A state agency shall implement the team's recommendations and provide any additional documentation required by the team to demonstrate that risks related to the high-risk contract have been mitigated. If a recommendation made by the team is not implemented, the agency must provide written notice to the team before the 31st day after the date the agency received the recommendation.

(e) If, after receiving notice provided under Subsection (d), the team determines that significant risks related to the high-risk contract remain, the team shall provide written notice of that fact to the Legislative Budget Board, the governor, and the comptroller with a description of the risk and recommendations to mitigate the risk, including cancellation of the high-risk contract.

(f) The team may adopt criteria for waiving the consultation and review requirements of this section.

Sec. 2262.205. SOLICITATION AND CONTRACT CANCELLATION. After review of the written notice provided by the team under Section 2262.204(e), the Legislative Budget Board, the governor, or the comptroller may recommend that a state agency cancel a solicitation or a high-risk contract if:

(1) a proposed contract would place the state at an unacceptable risk if executed; or

(2) an executed contract is experiencing performance failure or payment irregularities.

SECTION 12. Subchapter C, Chapter 2262, Government Code, is repealed.

SECTION 13. (a) The Contract Advisory Team is abolished.

(b) The validity of an action taken by the Contract Advisory Team before the team was abolished by this Act is not affected by the abolition.

(c) All powers and duties of the Contract Advisory Team are transferred to the Contract Management and Oversight Team established by this Act.

(d) A rule, form, policy, procedure, or decision of the Contract Advisory Team continues in effect as a rule, form, policy, procedure, or decision of the Contract Management and Oversight Team until superseded by an act of the Contract Management and Oversight Team.

(e) A reference in law to the Contract Advisory Team means the Contract Management and Oversight Team.

(f) Any action or proceeding involving the Contract Advisory Team is transferred without change in status to the Contract Management and Oversight Team, and the Contract Management and Oversight Team assumes, without a change in status, the position of the Contract Advisory Team in a negotiation or proceeding to which the Contract Advisory Team is a party.

SECTION 14. Sections 2166.2551, 2254.006, and 2254.0301(a), Government Code, as amended by this Act, apply only to a state agency contract for which the agency is required to provide notice to the Legislative Budget Board that is entered into on or after the effective date of this Act.

SECTION 15. This Act takes effect September 1, 2015.

Representative Otto moved to adopt the conference committee report on **HB 15**.

The motion to adopt the conference committee report on **HB 15** prevailed by (Record 1826): 144 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheets; Sheffield; Simmons; Simpson; Smith; Smithee; Spitzer; Springer; Stephenson; Stickland; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, E.S.; Turner, S.; VanDeaver; Villalba; Vo; Walle; White, J.; White, M.; Workman; Wray; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Bonnen, D.(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes.

(Sheets in the chair)

### **HB 2162 - VOTE RECONSIDERED**

Representative Simmons moved to reconsider the vote by which the conference committee report on **HB 2162** was adopted by Record No. 1815.

The motion to reconsider prevailed.

### **HB 2162 - HOUSE DISCHARGES CONFEREES HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Simmons called up with senate amendments for consideration at this time,

**HB 2162**, A bill to be entitled An Act relating to municipal regulation of the use of alarm systems; authorizing a municipal fee.

Representative Simmons moved to discharge the conferees and concur in the senate amendments to **HB 2162**.

The motion to discharge the conferees and concur in the senate amendments to **HB 2162** prevailed by (Record 1827): 124 Yeas, 20 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bell; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Fallon; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Galindo; Giddings; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hunter; Isaac; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Klick; Koop; Kuempel; Landgraf; Larson; Laubenberger; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Schofield; Schubert; Shaheen; Sheffield; Simmons; Smith; Smithee; Spitzer; Springer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; Turner, S.; VanDeaver; Villalba; Vo; Walle; Wray; Wu; Zedler; Zerwas.

Nays — Capriglione; Cyrier; Faircloth; Geren; Goldman; Hughes; Krause; Murphy; Murr; Phillips; Rinaldi; Sanford; Schaefer; Simpson; Stickland; Tinderholt; Turner, E.S.; White, J.; White, M.; Workman.

Present, not voting — Mr. Speaker; Sheets(C).

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Dukes.

### **Senate Committee Substitute**

**CSHB 2162**, A bill to be entitled An Act relating to municipal regulation of the use of alarm systems; authorizing a municipal fee.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 214.191, Local Government Code, is amended to read as follows:

Sec. 214.191. DEFINITIONS. In this subchapter:

(1) "Alarm system" means a device or system that transmits a signal intended to summon police of a municipality in response to a burglary. The term includes an alarm that emits an audible signal on the exterior of a structure. The term does not include an alarm installed on a vehicle, unless the vehicle is used for a habitation at a permanent site, or an alarm designed to alert only the inhabitants within the premises.

(2) "Alarm systems monitor" means a person who acts as an alarm systems company under Section 1702.105, Occupations Code.

(3) "False alarm" means a notification of possible criminal activity reported to law enforcement:

(A) that is based solely on electronic information remotely received by an alarm systems monitor;

(B) that is uncorroborated by eyewitness, video, or photographic evidence that an emergency exists; and

(C) concerning which an agency of the municipality has verified that no emergency exists after an on-site inspection of the location from which the notification originated.

(4) [(2)] "Permit" means a certificate, license, permit, or other form of permission that authorizes a person to engage in an action.

SECTION 2. Section 214.194(b), Local Government Code, is amended to read as follows:

(b) A municipal permit fee imposed under this section for an alarm system may not exceed the rate of:

(1) \$50 a year for a residential location; and

(2) \$250 a year for other alarm system locations.

SECTION 3. The heading to Section 214.195, Local Government Code, is amended to read as follows:

Sec. 214.195. NONRENEWAL OR REVOCATION OF PERMIT; ~~[AND]~~ TERMINATION OF MUNICIPAL RESPONSE; DISCRIMINATION PROHIBITED.

SECTION 4. Section 214.195, Local Government Code, is amended by amending Subsection (a) and adding Subsection (e) to read as follows:

(a) Except as provided in Subsections ~~[Subsection]~~ (d) and (e), a municipality may not terminate its law enforcement response to a residential permit holder because of excess false alarms if the false alarm fees are paid in full.

(e) A municipality may refuse to respond to a location if the location has had more than eight other false alarms during the preceding 12-month period.

SECTION 5. Section 214.196, Local Government Code, is amended to read as follows:

Sec. 214.196. ON-SITE INSPECTION REQUIRED. A municipality may not consider a false alarm to have occurred unless a response is made by an agency of the municipality within a reasonable time ~~[30 minutes of the alarm notification]~~ and the agency determines from an inspection of the interior or exterior of the premises that the alarm report by an alarm systems monitor was false.

SECTION 6. Section 214.197, Local Government Code, is amended to read as follows:

Sec. 214.197. PENALTIES FOR FALSE ALARMS. (a) A municipality may impose a penalty on a person who uses an alarm system in the municipality for the report ~~[signaling]~~ of a false alarm by an alarm systems monitor ~~[a burglar alarm system]~~ if at least three other false alarms have occurred at that location during the preceding 12-month period. The amount of the penalty for the report ~~[signaling]~~ of a false alarm as described by Section 214.196 may not exceed:

(1) \$50, if the location has had more than three but fewer than six other false alarms in the preceding 12-month period;

(2) \$75, if the location has had more than five but fewer than eight other false alarms in the preceding 12-month period; or



(3) \$100, if the location has had eight or more other false alarms in the preceding 12-month period.

(b) A municipality may not impose a penalty authorized under Subsection (a) if reasonable visual proof of possible criminal activity recorded by an alarm systems monitor is provided to the municipality before the inspection of the premises by an agency of the municipality.

(c) A municipality that adopts an ordinance requiring a person to obtain a permit from the municipality before the person may use an alarm system in the municipality may impose a penalty, not to exceed \$250, for the report of a false alarm by an alarm systems monitor on a person who has not obtained a permit for the alarm system as required by the municipal ordinance.

(d) A municipality:

(1) may impose a penalty, not to exceed \$250, for the report of a false alarm on a person not licensed under Chapter 1702, Occupations Code, that to any extent is reported or facilitated by the unlicensed person; and

(2) may not impose a penalty for the report of a false alarm on a person licensed under Chapter 1702, Occupations Code.

(e) A municipality may not impose or collect any fine, fee, or penalty related to a false alarm or alarm system unless the fine, fee, or penalty is defined in the ordinance in accordance with this subchapter.

SECTION 7. The heading to Section 214.198, Local Government Code, is amended to read as follows:

Sec. 214.198. PROCEDURES FOR REDUCING FALSE ALARMS ~~[VERIFICATION]~~.

SECTION 8. Section 214.200(b), Local Government Code, is amended to read as follows:

(b) A municipality that does not respond to an alarm system signal is not liable for damages that may occur relating to the cause of the alarm system signal.

SECTION 9. Subchapter F, Chapter 214, Local Government Code, is amended by adding Section 214.201 to read as follows:

Sec. 214.201. EXCLUSION OF CERTAIN ALARM SYSTEMS BY OWNER. (a) A property owner or an agent of the property owner authorized to make decisions regarding the use of the property may elect to exclude the municipality from receiving an alarm signal by an alarm system located on the owner's property. A municipality may adopt an ordinance that specifies the requirements a property owner must satisfy for an election to be made under this section.

(b) If an election is made under Subsection (a), the municipality:

(1) may not impose a fee to obtain a permit to use the alarm system;

(2) may impose a fee on the property owner, not to exceed \$250, for each law enforcement response to a signal from the alarm system requested by an alarm systems monitor; and

(3) may not impose or collect any other fine, penalty, or fee, other than a collection fee, related to the alarm system.

SECTION 10. With respect to a municipality that on the effective date of this Act is a party to a contract with a third party to provide alarm system services, the changes in law made by this Act apply beginning after the date the contract, including any renewals, is terminated or expires by the contract's own terms. During the period a contract described by this section is effective, the municipality is governed by the law in effect immediately before the effective date of this Act, and the former law is continued in effect for that purpose.

SECTION 11. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

**Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **CSHB 2162** (senate committee report) by striking all below the enacting clause and substituting the following:

SECTION 1. The heading to Subchapter F, Chapter 214, Local Government Code, is amended to read as follows:

SUBCHAPTER F. BURGLAR ALARM SYSTEMS IN CERTAIN  
MUNICIPALITIES WHOLLY LOCATED IN CERTAIN COUNTIES

SECTION 2. Subchapter F, Chapter 214, Local Government Code, is amended by adding Section 214.1915 to read as follows:

Sec. 214.1915. APPLICABILITY. This subchapter applies only to a municipality with a population of less than 100,000 that is located wholly in a county with a population of less than 500,000.

SECTION 3. Chapter 214, Local Government Code, is amended by adding Subchapter F-1 to read as follows:

SUBCHAPTER F-1. BURGLAR ALARM SYSTEMS IN LARGE  
MUNICIPALITIES AND MUNICIPALITIES WHOLLY OR  
PARTLY LOCATED IN LARGE COUNTIES

Sec. 214.201. DEFINITIONS. In this subchapter:

(1) "Alarm system" and "permit" have the meanings assigned by Section 214.191.

(2) "Alarm systems monitor" means a person who acts as an alarm systems company under Section 1702.105, Occupations Code.

(3) "False alarm" means a notification of possible criminal activity reported to law enforcement:

(A) that is based solely on electronic information remotely received by an alarm systems monitor;

(B) that is uncorroborated by eyewitness, video, or photographic evidence that an emergency exists; and

(C) concerning which an agency of the municipality has verified that no emergency exists after an on-site inspection of the location from which the notification originated.

Sec. 214.2015. APPLICABILITY. This subchapter does not apply to a municipality to which Subchapter F applies.

Sec. 214.202. CATEGORIES OF ALARM SYSTEMS. The category of alarm system to be regulated is burglary.

Sec. 214.203. DURATION OF MUNICIPAL PERMIT. (a) If a municipality adopts an ordinance that requires a person to obtain a permit from the municipality before a person may use an alarm system in the municipality, the ordinance must provide that the permit is valid for at least one year.

(b) This requirement does not affect the authority of the municipality to:

(1) revoke, suspend, or otherwise affect the duration of a permit for disciplinary reasons at any time during the period for which the permit is issued; or

(2) make a permit valid for a period of less than one year if necessary to conform the permit to the termination schedule established by the municipality for permits.

Sec. 214.204. MUNICIPAL PERMIT FEE GENERALLY. (a) If a municipality adopts an ordinance that requires a person to pay an annual fee to obtain a permit from the municipality before the person may use an alarm system in the municipality, the fee shall be used for the general administration of this subchapter, including the provision of responses generally required to implement this subchapter other than specific responses to false alarms.

(b) A municipal permit fee imposed under this section for an alarm system may not exceed the rate of:

(1) \$50 a year for a residential location; and

(2) \$250 a year for other alarm system locations.

Sec. 214.205. NONRENEWAL OR REVOCATION OF PERMIT; TERMINATION OF MUNICIPAL RESPONSE; DISCRIMINATION PROHIBITED. (a) Except as provided by Subsection (d), a municipality may not terminate its law enforcement response to a residential permit holder because of excess false alarms if the false alarm fees are paid in full.

(b) In permitting free false alarm responses and in setting false alarm fees, a municipality must administer any ordinance on a fair and equitable basis as determined by the governing body.

(c) A municipality may not terminate an alarm permit for nonrenewal without providing at least 30 days' notice.

(d) A municipality may revoke or refuse to renew the permit of an alarm system that has had eight or more false alarms during the preceding 12-month period.

Sec. 214.2055. MULTIUNIT HOUSING FACILITIES (a) A municipality may not refuse to issue an alarm system permit for a residential location solely because the residential location is an individual residential unit located in a multiunit housing facility.

(b) In issuing an alarm system permit for an alarm installed in an individual residential unit of a multiunit housing facility, the municipality shall issue the permit to the person occupying the individual residential unit.

(c) A municipality may impose a penalty under Section 214.207 for the signaling of a false alarm on the premises of a multiunit housing facility for a facility other than an individual residential unit only if the permit holder is notified of:

(1) the date of the signaling of the false alarm;

(2) the address of the multiunit housing facility where the signaling of the false alarm occurred; and

(3) the identification of the individual facility, if applicable, located on the multiunit housing facility premises where the signaling of the false alarm occurred.

Sec. 214.206. ON-SITE INSPECTION REQUIRED. A municipality may not consider a false alarm to have occurred unless a response is made by an agency of the municipality within a reasonable time and the agency determines from an inspection of the interior or exterior of the premises that the alarm report by an alarm systems monitor was false.

Sec. 214.207. PENALTIES FOR FALSE ALARMS. (a) A municipality may impose a penalty on a person who uses an alarm system in the municipality for the report of a false alarm by an alarm systems monitor if at least three other false alarms have occurred at that location during the preceding 12-month period. The amount of the penalty for the report of a false alarm as described by Section 214.206 may not exceed:

(1) \$50, if the location has had more than three but fewer than six other false alarms in the preceding 12-month period;

(2) \$75, if the location has had more than five but fewer than eight other false alarms in the preceding 12-month period; or

(3) \$100, if the location has had eight or more other false alarms in the preceding 12-month period.

(b) A municipality may not impose a penalty authorized under Subsection (a) if reasonable visual proof of possible criminal activity recorded by an alarm systems monitor is provided to the municipality before the inspection of the premises by an agency of the municipality.

(c) A municipality that adopts an ordinance requiring a person to obtain a permit from the municipality before the person may use an alarm system in the municipality may impose a penalty, not to exceed \$250, for the report of a false alarm by an alarm systems monitor on a person who has not obtained a permit for the alarm system as required by the municipal ordinance.

(d) A municipality:

(1) may impose a penalty, not to exceed \$250, for the report of a false alarm on a person not licensed under Chapter 1702, Occupations Code, that to any extent is reported or facilitated by the unlicensed person; and

(2) may not impose a penalty for the report of a false alarm on a person licensed under Chapter 1702, Occupations Code.

(e) A municipality may not impose or collect any fine, fee, or penalty, other than collection fees, related to a false alarm or alarm system unless the fine, fee, or penalty is defined in the ordinance in accordance with this subchapter.

Sec. 214.208. PROCEDURES FOR REDUCING FALSE ALARMS. A municipality may require an alarm systems monitor to attempt to contact the occupant of the alarm system location twice before the municipality responds to the alarm signal.

Sec. 214.209. EXCEPTION OF MUNICIPALITY FROM ALARM SYSTEM RESPONSE. (a) The governing body of a municipality may not adopt an ordinance providing that law enforcement personnel of the municipality will not respond to any alarm signal indicated by an alarm system in the municipality unless, before adopting the ordinance, the governing body of the municipality:

(1) makes reasonable efforts to notify permit holders of its intention to adopt the ordinance; and

(2) conducts a public hearing at which persons interested in the response of the municipality to alarm systems are given the opportunity to be heard.

(b) A municipality that adopts an ordinance under this section may not impose or collect any fine, fee, or penalty otherwise authorized by this subchapter.

(c) A municipality that adopts or proposes to adopt an ordinance under this section may notify permit holders that a permit holder may contract with a security services provider licensed by the Texas Private Security Board under Chapter 1702, Occupations Code, to respond to an alarm. The notice, if given, must include the board's telephone number and Internet website address.

Sec. 214.210. PRIORITY OR LEVEL OF RESPONSE NOT AFFECTED; LIABILITY OF MUNICIPALITY FOR NONRESPONSE. (a) Nothing in this subchapter:

(1) affects the priority or level of response provided by a municipality to a permitted location; or

(2) waives the governmental immunity provided by law for a municipality.

(b) A municipality that does not respond to an alarm system signal is not liable for damages that may occur relating to the cause of the alarm system signal.

Sec. 214.2105. EXCLUSION OF CERTAIN ALARM SYSTEMS BY OWNER. (a) A property owner or an agent of the property owner authorized to make decisions regarding the use of the property may elect to exclude the municipality from receiving an alarm signal by an alarm system located on the owner's property. A municipality may adopt an ordinance that specifies the requirements a property owner must satisfy for an election to be made under this section.

(b) If an election is made under Subsection (a), the municipality:

(1) may not impose a fee to obtain a permit to use the alarm system;

(2) may impose a fee on the property owner, not to exceed \$250, for each law enforcement response to a signal from the alarm system requested by an alarm systems monitor; and

(3) may not impose or collect any other fine, penalty, or fee, other than a collection fee, related to the alarm system.

SECTION 4. With respect to a municipality subject to Subchapter F-1, Chapter 214, Local Government Code, as added by this Act, that on the effective date of this Act is a party to a contract with a third party to provide alarm system services, the changes in law made by this Act apply beginning after the date the

contract, including any renewals, is terminated or expires by the contract's own terms. During the period a contract described by this section is effective, the municipality described by this section is governed by the law in effect immediately before the effective date of this Act, and the former law is continued in effect for that purpose.

SECTION 5. This Act takes effect September 1, 2015.

### MESSAGE FROM THE SENATE

A message from the senate was received at this time (see the addendum to the daily journal, Messages from the Senate, Message No. 3).

### HR 3494 - VOTE RECONSIDERED

Representative Isaac moved to suspend Rule 7, Section 37(c) of the House Rules and reconsider the vote by which **HR 3494** failed of adoption by Record No. 1821.

The motion to suspend Rule 7, Section 37(c) of the House Rules and reconsider **HR 3494** prevailed by (Record 1828): 95 Yeas, 47 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Coleman; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Deshotel; Dutton; Faircloth; Farias; Farney; Farrar; Flynn; Frank; Frullo; Galindo; Giddings; Gonzales; González; Guerra; Guillen; Gutierrez; Hernandez; Herrero; Huberty; Johnson; Kacal; Keffer; King, K.; King, P.; King, T.; Larson; Lozano; Márquez; Martinez; McClendon; Miles; Moody; Morrison; Muñoz; Murphy; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Rodriguez, E.; Rodriguez, J.; Romero; Schofield; Schubert; Sheets(C); Simmons; Spitzer; Springer; Stephenson; Thompson, S.; Turner, C.; Turner, S.; VanDeaver; Villalba; Vo; Walle; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Bell; Bernal; Blanco; Bohac; Bonnen, D.; Clardy; Collier; Elkins; Fallon; Fletcher; Geren; Goldman; Harless; Howard; Hughes; Hunter; Israel; Keough; King, S.; Klick; Koop; Krause; Kuempel; Landgraf; Laubenberg; Leach; Martinez Fischer; Metcalf; Meyer; Miller, R.; Murr; Riddle; Rinaldi; Rose; Sanford; Schaefer; Shaheen; Sheffield; Simpson; Smith; Smithee; Stickland; Thompson, E.; Tinderholt; Turner, E.S.; White, J.; White, M.

Present, not voting — Mr. Speaker; Isaac.

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Davis, Y.; Dukes; Miller, D.

### STATEMENT OF VOTE

When Record No. 1828 was taken, I was shown voting yes. I intended to vote no.

K. King

**HR 3494 - ADOPTED**  
**(by Springer)**

The following privileged resolution was laid before the house:

**HR 3494**

BE IT RESOLVED by the House of Representatives of the State of Texas, 84th Legislature, Regular Session, 2015, That House Rule 13, Section 9(a), be suspended in part as provided by House Rule 13, Section 9(f), to enable the conference committee appointed to resolve the differences on **HB 1905** (certain state and local taxes, including ad valorem taxes, and the repeal of certain of those taxes) to consider and take action on the following matters:

(1) House Rule 13, Section 9(a)(4), is suspended to permit the committee to add text on matters not included in either the house or senate version of the bill by adding the following new provisions to the bill:

SECTION 3. Section 2001.103(d), Occupations Code, is amended to read as follows:

(d) An organization operating under a temporary license is subject to:

- (1) the ~~[taxes and]~~ fees authorized or imposed by this chapter; and
- (2) the other provisions of this chapter to the extent they can be made applicable.

SECTION 4. Section 2001.312, Occupations Code, is amended to read as follows:

Sec. 2001.312. FAILURE TO FILE ~~[TAX OR]~~ FEE REPORTS. A person is not eligible for a license or a license renewal unless all required reports ~~[, tax returns,]~~ and requested information have been filed under this chapter.

SECTION 5. Section 2001.355(b), Occupations Code, is amended to read as follows:

(b) Before temporarily suspending a license, the director of bingo operations must follow any prehearing rules adopted by the commission to determine if the license holder's continued operation may constitute:

(1) an immediate threat to the health, safety, morals, or welfare of the public; or

(2) a financial loss to this state, which includes a license holder's failure to remit ~~[taxes under Section 2001.501 or]~~ prize fee payments under Section 2001.502 to the commission as required by that section ~~[those sections]~~.

SECTION 6. Section 2001.437(a), Occupations Code, is amended to read as follows:

(a) If the unit accounting agreement of a unit states that a unit manager is responsible for compliance with commission rules and this chapter, the unit manager is responsible for:

(1) the filing of one quarterly report for the unit on a form prescribed by the commission; and

(2) the payment of ~~[taxes and]~~ fees and the maintenance of the bingo inventory and financial records of the unit.

SECTION 7. Section 2001.438(f), Occupations Code, is amended to read as follows:

(f) Each licensed authorized organization that is a member of the unit shall be jointly and severally liable for:

(1) compliance with the requirements of this subchapter and the rules of the commission relating to the filing of required reports;

(2) the maintenance of bingo inventory and financial records; and

(3) the payment of [~~taxes~~] fees [~~;~~] and any penalties imposed for a violation of this subchapter or commission rules related to the operations of the unit.

SECTION 8. The heading to Subchapter K, Chapter 2001, Occupations Code, is amended to read as follows:

SUBCHAPTER K. [~~TAXES AND~~] PRIZE FEES

SECTION 9. Section 2001.504, Occupations Code, is amended to read as follows:

Sec. 2001.504. PAYMENT AND REPORTING OF [~~TAX OR~~] FEE. (a) A [~~tax or~~] fee on prizes authorized or imposed under this subchapter is due and is payable by the license holder or a person conducting bingo without a license to the commission quarterly on or before the 25th day of the month succeeding each calendar quarter.

(b) The report of the [a tax or] fee on prizes must be filed under oath on forms prescribed by the commission.

(c) The commission shall adopt rules for the payment of the fee on prizes [~~taxes and fees~~].

(d) A license holder required to file a report of the fee on prizes [~~tax return~~] shall deliver the quarterly report [~~return~~] with the net amount of the fee [~~tax~~] due to the commission.

~~[(e) The commission shall deposit the revenue collected under this section to the credit of the general revenue fund.]~~

SECTION 10. Section 2001.508, Occupations Code, is amended to read as follows:

Sec. 2001.508. PENALTIES FOR FAILURE TO PAY OR REPORT. (a) If a person fails to file a report of the fee on prizes [~~return~~] as required by this chapter or fails to pay to the commission the fee on prizes [~~taxes~~] imposed under this chapter when the report [~~return~~] or payment is due, the person forfeits five percent of the amount due as a penalty, and after the first 30 days, the person forfeits an additional five percent.

(b) A delinquent payment of the fee on prizes [~~tax~~] accrues interest at the rate provided by Section 111.060, Tax Code, beginning on the 60th day after the due date.

SECTION 11. Section 2001.509, Occupations Code, is amended to read as follows:

Sec. 2001.509. RECOMPUTATION OF PRIZE FEE [~~TAX~~]. If the commission is not satisfied with a report of the fee on prizes [~~tax return~~] or the amount of the fee on prizes [~~tax~~] required to be remitted under this chapter to the state by a person, the commission may compute and determine the amount required to be paid on the basis of:



(1) the facts contained in the report of the fee on prizes ~~[return]~~ or report of receipts and expenses; or

(2) any information possessed by the commission or that may come into the possession of the commission, without regard to the period covered by the information.

SECTION 12. The heading to Section 2001.510, Occupations Code, is amended to read as follows:

Sec. 2001.510. DETERMINATION IF NO REPORT ~~[RETURN]~~ MADE.

SECTION 13. Sections 2001.510(a) and (c), Occupations Code, are amended to read as follows:

(a) If a license holder fails to make a required report of the fee on prizes ~~[return]~~, or if a person conducts bingo without a license, the commission shall make an estimate of the prizes awarded at a bingo occasion ~~[or of the gross rentals received by a license holder for the rental of premises]~~. The commission shall make the estimate for the period in respect to which the license holder or other person failed to make a report ~~[return]~~.

(c) On the basis of the commission's estimate, the commission shall compute and determine the amount of the fee on prizes ~~[taxes or fees]~~ required to be paid to the state and shall add to that amount a penalty of 10 percent of the amount.

SECTION 14. Sections 2001.511(a) and (c), Occupations Code, are amended to read as follows:

(a) If the commission believes that the collection of the ~~[a gross rental tax or]~~ fee on prizes, an amount of the ~~[tax or]~~ fee on prizes required to be remitted to the state, or the amount of a determination will be jeopardized by delay, the commission shall make a determination of the ~~[tax or]~~ fee on prizes or amount of the ~~[tax or]~~ fee required to be collected, noting the finding of jeopardy on the determination. The determined amount is due and payable immediately.

(c) A delinquency penalty of 10 percent of the ~~[tax or]~~ fee on prizes or amount of the ~~[tax or]~~ fee on prizes and interest at the rate of 10 percent a year attaches to the amount of the ~~[tax or]~~ fee on prizes or the amount of the ~~[tax or]~~ fee on prizes required to be collected.

SECTION 15. Section 2001.512, Occupations Code, is amended to read as follows:

Sec. 2001.512. APPLICATION OF TAX LAWS. (a) Subtitle B, Title 2, Tax Code, applies to the administration, collection, and enforcement of ~~[the gross rentals tax imposed under Section 2001.501 and]~~ the fee on prizes imposed under Section 2001.502 except as modified by this chapter.

(b) In applying the provisions of Subtitle B, Title 2, Tax Code, to ~~[the gross rentals tax imposed under Section 2001.501 and]~~ the fee on prizes imposed under Section 2001.502 only, the fee on prizes is treated as if it were a tax and the powers and duties assigned to the comptroller under that subtitle are assigned to the commission.

SECTION 16. Section 2001.513(a), Occupations Code, is amended to read as follows:

(a) At any time within three years after a person is delinquent in the payment of an amount of the ~~[gross rentals tax or]~~ fee on prizes, the commission may collect the amount under this section.

SECTION 17. Sections 2001.514(a), (c), and (d), Occupations Code, are amended to read as follows:

(a) To secure payment of ~~[the tax on gross rentals or]~~ the fee on prizes imposed under this subchapter, each license holder shall furnish to the commission:

- (1) a cash bond;
- (2) a bond from a surety company chartered or authorized to do business in this state;
- (3) certificates of deposit;
- (4) certificates of savings;
- (5) United States treasury bonds;
- (6) subject to the approval of the commission, an assignment of negotiable stocks or bonds; or
- (7) other security as the commission considers sufficient.

(c) On a license holder's failure to pay ~~[the gross rentals tax or]~~ the fee on prizes imposed under this subchapter, the commission may notify the license holder and any surety of the delinquency by jeopardy or deficiency determination. If payment is not made when due, the commission may forfeit all or part of the bond or security.

(d) If the license holder ceases to conduct bingo and relinquishes the license holder's license, the commission shall authorize the release of all bonds and other security on a determination that no amounts of ~~[the gross rentals tax or]~~ the fee on prizes remain due and payable under this subchapter.

SECTION 18. Section 2001.515, Occupations Code, is amended to read as follows:

Sec. 2001.515. COMMISSION'S ~~[TAX]~~ DUTIES. The commission shall perform all functions incident to the administration, collection, enforcement, and operation of the fee on prizes ~~[a tax]~~ imposed under this subchapter.

SECTION 19. (a) Subchapter B, Chapter 11, Tax Code, is amended by adding Section 11.211 to read as follows:

Sec. 11.211. REAL PROPERTY LEASED TO CERTAIN SCHOOLS. A person is entitled to an exemption from taxation of the real property that the person owns and leases to a school that is qualified as provided by Section 11.21(d) if:

- (1) the real property is used exclusively by the school for educational functions;
- (2) the real property is reasonably necessary for the operation of the school;
- (3) the owner certifies by affidavit to the school that the rent for the lease of the real property will be reduced by an amount equal to the amount by which the taxes on the property are reduced as a result of the exemption;

(4) the owner provides the school with a disclosure document stating the amount by which the taxes on the real property are reduced as a result of the exemption and the method the owner will implement to ensure that the rent charged for the lease of the property fully reflects that reduction; and

(5) the rent charged for the lease of the real property reflects the reduction in the amount of taxes on the property resulting from the exemption through a monthly or annual credit against the rent.

(b) This section applies only to ad valorem taxes imposed for a tax year beginning on or after the effective date of this section.

SECTION 20. (a) Section 11.231, Tax Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) In addition to an organization described by Subsection (a), in this section, "nonprofit community business organization" also means a Type A corporation governed by Chapter 504, Local Government Code, and a Type B corporation governed by Chapter 505, Local Government Code.

(b) This section applies only to ad valorem taxes imposed for a tax year that begins on or after the effective date of this section.

SECTION 21. Section 151.314, Tax Code, is amended by amending Subsections (b-1), (c-2), and (h) and adding Subsection (c-4) to read as follows:

(b-1) For purposes of this section, "snack items" means ~~includes~~:

(1) breakfast bars, granola bars, nutrition bars, sports bars, protein bars, or yogurt bars, unless labeled and marketed as candy;

(2) snack mix or trail mix;

(3) nuts, but not including pine nuts or ~~unless~~ candy-coated nuts;

(4) popcorn; ~~and~~

(5) chips, crackers, ~~or~~ hard pretzels, pork rinds, or corn nuts;

(6) sunflower seeds or pumpkin seeds;

(7) ice cream, sherbet, or frozen yogurt; and

(8) ice pops, juice pops, sorbet, or other frozen fruit items containing not more than 50 percent fruit juice by volume.

(c-2) The exemption provided by Subsection (a) does not include the following prepared food:

(1) food, food products, and drinks, including meals, milk and milk products, fruit and fruit products, sandwiches, salads, processed meats and seafoods, vegetable juice, and ice cream in cones or small cups, served, prepared, or sold ready for immediate consumption ~~in or~~ by restaurants, lunch counters, cafeterias, delis, vending machines, hotels, or like places of business or sold ready for immediate consumption from pushcarts, motor vehicles, or any other form of vehicle;

(2) food sold in a heated state or heated by the seller; or

(3) two or more food ingredients mixed or combined by the seller for sale as a single item, including items that are sold in an unheated state by weight or volume as a single item, but not including food that is only cut, repackaged, or pasteurized by the seller.

(c-4) For purposes of Subdivision (c-2)(1), if a grocery store or convenience store contains a type of location listed in that subdivision, the store is considered a like place of business for purposes of that subdivision, but only in relation to items sold at that location.

(h) The exemption provided by Subsection (a) does not apply to a snack item if the item is sold through a vending machine or is sold in individual-sized portions. For purposes of this subsection, an individual-sized portion is a portion that:

(1) is labeled as having not more than one serving; or

(2) contains less than 2.5 ounces~~[, if the package does not specify the number of servings].~~

SECTION 22. (a) Section 156.001, Tax Code, is amended to read as follows:

Sec. 156.001. DEFINITIONS ~~[DEFINITION]~~. (a) In this chapter, "hotel" means a building in which members of the public obtain sleeping accommodations for consideration. The term includes a hotel, motel, tourist home, tourist house, tourist court, lodging house, inn, rooming house, or bed and breakfast. The term does not include:

(1) a hospital, sanitarium, or nursing home;

(2) a dormitory or other housing facility owned or leased and operated by an institution of higher education or a private or independent institution of higher education as those terms are defined by Section 61.003, Education Code, used by the institution for the purpose of providing sleeping accommodations for persons engaged in an educational program or activity at the institution; or

(3) an oilfield portable unit, as defined by Section 152.001.

(b) For purposes of the imposition of a hotel occupancy tax under this chapter, Chapter 351 or 352, or other law, "hotel" includes a short-term rental. In this subsection, "short-term rental" means the rental of all or part of a residential property to a person who is not a permanent resident under Section 156.101.

(b) The heading to Section 351.005, Tax Code, is amended to read as follows:

Sec. 351.005. REIMBURSEMENT FOR [TAX COLLECTION] EXPENSES OF TAX COLLECTION AND USE OF ELECTRONIC TAX ADMINISTRATION SYSTEM.

(c) Section 351.005(a), Tax Code, is amended to read as follows:

(a) A municipality may permit a person who is required to collect and pay over to the municipality the tax authorized by this chapter not more than one percent of the amount collected and required to be reported as reimbursement to the person for the costs in collecting the tax and, if applicable, the use of an electronic tax administration system described by Section 351.1012.

(d) Subchapter B, Chapter 351, Tax Code, is amended by adding Section 351.1012 to read as follows:

Sec. 351.1012. ELECTRONIC TAX ADMINISTRATION SYSTEM. (a) Notwithstanding any other provision of this chapter, a municipality may spend not more than one percent of the revenue derived from the tax authorized by this chapter for the creation, maintenance, operation, and administration of an electronic tax administration system.

(b) A municipality may contract with a third party to assist in the creation, maintenance, operation, or administration of the electronic tax administration system.

(e) The amendments made by this section to Section 156.001, Tax Code, are a clarification of existing law and do not imply that existing law may be construed as inconsistent with the law as amended by this section.

(f) This section takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for this section to have immediate effect, this section takes effect September 1, 2015.

SECTION 24. Section 162.104(a), Tax Code, is amended to read as follows:

(a) The tax imposed by this subchapter does not apply to gasoline:

(1) sold to the United States for its exclusive use, provided that the exemption does not apply with respect to fuel sold or delivered to a person operating under a contract with the United States;

(2) sold to a public school district in this state for the district's exclusive use;

(3) sold to a commercial transportation company or a metropolitan rapid transit authority operating under Chapter 451, Transportation Code, that provides public school transportation services to a school district under Section 34.008, Education Code, and that uses the gasoline only to provide those services;

(4) exported by either a licensed supplier or a licensed exporter from this state to any other state, provided that:

(A) for gasoline in a situation described by Subsection (d), the bill of lading indicates the destination state and the supplier collects the destination state tax; or

(B) for gasoline in a situation described by Subsection (e), the bill of lading indicates the destination state, the gasoline is subsequently exported, and the exporter is licensed in the destination state to pay that state's tax and has an exporter's license issued under this subchapter;

(5) moved by truck or railcar between licensed suppliers or licensed permissive suppliers and in which the gasoline removed from the first terminal comes to rest in the second terminal, provided that the removal from the second terminal rack is subject to the tax imposed by this subchapter;

(6) delivered or sold into a storage facility of a licensed aviation fuel dealer from which gasoline will be delivered solely into the fuel supply tanks of aircraft or aircraft servicing equipment, or sold from one licensed aviation fuel dealer to another licensed aviation fuel dealer who will deliver the aviation fuel exclusively into the fuel supply tanks of aircraft or aircraft servicing equipment;

(7) exported to a foreign country if the bill of lading indicates the foreign destination and the fuel is actually exported to the foreign country; ~~or~~

(8) sold to a volunteer fire department in this state for the department's exclusive use; or

(9) sold to a nonprofit entity that is organized for the sole purpose of and engages exclusively in providing emergency medical services and that uses the gasoline exclusively to provide emergency medical services, including rescue and ambulance services.

SECTION 25. Section 162.125, Tax Code, is amended by adding Subsection (g-2) to read as follows:

(g-2) A nonprofit entity exempted under Section 162.104(a)(9) from the tax imposed under this subchapter that paid tax on the purchase of gasoline is entitled to a refund of the tax paid, and the entity may file a refund claim with the comptroller for that amount.

SECTION 26. Section 162.204(a), Tax Code, is amended to read as follows:

(a) The tax imposed by this subchapter does not apply to:

(1) diesel fuel sold to the United States for its exclusive use, provided that the exemption does not apply to diesel fuel sold or delivered to a person operating under a contract with the United States;

(2) diesel fuel sold to a public school district in this state for the district's exclusive use;

(3) diesel fuel sold to a commercial transportation company or a metropolitan rapid transit authority operating under Chapter 451, Transportation Code, that provides public school transportation services to a school district under Section 34.008, Education Code, and that uses the diesel fuel only to provide those services;

(4) diesel fuel exported by either a licensed supplier or a licensed exporter from this state to any other state, provided that:

(A) for diesel fuel in a situation described by Subsection (d), the bill of lading indicates the destination state and the supplier collects the destination state tax; or

(B) for diesel fuel in a situation described by Subsection (e), the bill of lading indicates the destination state, the diesel fuel is subsequently exported, and the exporter is licensed in the destination state to pay that state's tax and has an exporter's license issued under this subchapter;

(5) diesel fuel moved by truck or railcar between licensed suppliers or licensed permissive suppliers and in which the diesel fuel removed from the first terminal comes to rest in the second terminal, provided that the removal from the second terminal rack is subject to the tax imposed by this subchapter;

(6) diesel fuel delivered or sold into a storage facility of a licensed aviation fuel dealer from which the diesel fuel will be delivered solely into the fuel supply tanks of aircraft or aircraft servicing equipment, or sold from one licensed aviation fuel dealer to another licensed aviation fuel dealer who will deliver the diesel fuel exclusively into the fuel supply tanks of aircraft or aircraft servicing equipment;

(7) diesel fuel exported to a foreign country if the bill of lading indicates the foreign destination and the fuel is actually exported to the foreign country;

(8) dyed diesel fuel sold or delivered by a supplier to another supplier and dyed diesel fuel sold or delivered by a supplier or distributor into the bulk storage facility of a dyed diesel fuel bonded user or to a purchaser who provides a signed statement as provided by Section 162.206;

(9) the volume of water, fuel ethanol, renewable diesel, biodiesel, or mixtures thereof that are blended together with taxable diesel fuel when the finished product sold or used is clearly identified on the retail pump, storage tank, and sales invoice as a combination of diesel fuel and water, fuel ethanol, renewable diesel, biodiesel, or mixtures thereof;

(10) dyed diesel fuel sold by a supplier or permissive supplier to a distributor, or by a distributor to another distributor;

(11) dyed diesel fuel delivered by a license holder into the fuel supply tanks of railway engines, motorboats, or refrigeration units or other stationary equipment powered by a separate motor from a separate fuel supply tank;

(12) dyed kerosene when delivered by a supplier, distributor, or importer into a storage facility at a retail business from which all deliveries are exclusively for heating, cooking, lighting, or similar nonhighway use;

(13) diesel fuel used by a person, other than a political subdivision, who owns, controls, operates, or manages a commercial motor vehicle as defined by Section 548.001, Transportation Code, if the fuel:

(A) is delivered exclusively into the fuel supply tank of the commercial motor vehicle; and

(B) is used exclusively to transport passengers for compensation or hire between points in this state on a fixed route or schedule; ~~or~~

(14) diesel fuel sold to a volunteer fire department in this state for the department's exclusive use; or

(15) diesel fuel sold to a nonprofit entity that is organized for the sole purpose of and engages exclusively in providing emergency medical services and that uses the diesel fuel exclusively to provide emergency medical services, including rescue and ambulance services.

SECTION 27. Section 162.227, Tax Code, is amended by adding Subsection (f-2) to read as follows:

(f-2) A nonprofit entity exempted under Section 162.204(a)(15) from the tax imposed under this subchapter that paid tax on the purchase of diesel fuel is entitled to a refund of the tax paid, and the entity may file a refund claim with the comptroller for that amount.

SECTION 36. The following are repealed:

...

(2) Section 2001.501, Occupations Code; . . . .

Explanation: The additions are necessary to repeal certain taxes and to address the application and administration of certain other taxes.

(2) House Rule 13, Section 9(a)(4), is suspended to permit the committee to add text on a matter not included in either the house or senate version of the bill by adding the following text to SECTION 28 of the bill, in added Section 162.356(a)(9), Tax Code:

a motor vehicle operated exclusively by a nonprofit entity that is organized for the sole purpose of and engages exclusively in providing emergency medical services and that uses the fuel exclusively to provide emergency medical services, including rescue and ambulance services;

Explanation: The change is necessary to provide an exemption from the tax imposed on compressed natural gas or liquefied natural gas for certain nonprofit entities.

(3) House Rule 13, Section 9(a)(4), is suspended to permit the committee to add text on a matter not included in either the house or senate version of the bill by adding the following text to SECTION 29 of the bill, in added Section 162.365(a)(10), Tax Code:

(10) is a nonprofit entity that is organized for the sole purpose of and engages exclusively in providing emergency medical services and the fuel was delivered into the fuel supply tank of a motor vehicle operated exclusively by the nonprofit entity to provide emergency medical services, including rescue and ambulance services.

Explanation: The change is necessary to allow for a credit on a tax return or an application for a refund for tax paid on compressed natural gas or liquefied natural gas by certain nonprofit entities.

(4) House Rule 13, Section 9(a)(1), is suspended to permit the committee to amend text not in disagreement in proposed SECTION 39 of the bill to read as follows:

SECTION 39. (a) Except as otherwise provided by this Act, this Act takes effect September 1, 2015.

(b) Section 19 of this Act takes effect January 1, 2016, but only if a constitutional amendment authorizing the legislature to exempt from ad valorem taxation real property leased to certain schools organized and operated primarily for the purpose of engaging in educational functions is approved by the voters. If that amendment is not approved by the voters, Section 19 of this Act has no effect.

(c) Section 20 of this Act takes effect January 1, 2016.

Explanation: The change is necessary to provide for different effective dates for certain provisions in the bill.

**HR 3494** was adopted by (Record 1829): 106 Yeas, 34 Nays, 2 Present, not voting.

Yeas — Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bernal; Blanco; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Farias; Farney; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Kacal; Keffer; Keough; King, K.; King, P.; King, T.; Koop; Kuempel; Larson; Laubenberg;



Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Raney; Raymond; Reynolds; Rodriguez, E.; Rodriguez, J.; Romero; Schofield; Sheets(C); Sheffield; Simmons; Smith; Spitzer; Springer; Stephenson; Thompson, E.; Thompson, S.; Turner, C.; Turner, S.; VanDeaver; Villalba; Vo; Walle; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Bell; Bohac; Button; Cyrier; Elkins; Faircloth; Fallon; Fletcher; Goldman; Hughes; Hunter; Israel; Johnson; King, S.; Klick; Krause; Landgraf; Leach; Metcalf; Meyer; Murr; Price; Riddle; Rinaldi; Sanford; Schaefer; Schubert; Shaheen; Simpson; Smithee; Tinderholt; Turner, E.S.; White, J.; White, M.

Present, not voting — Mr. Speaker; Isaac.

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Allen; Dukes; Farrar; Rose; Stickland.

# **HB 1905 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative Springer submitted the following conference committee report on **HB 1905**:

Austin, Texas, May 30, 2015

The Honorable Dan Patrick  
President of the Senate

The Honorable Joe Straus  
Speaker of the House of Representatives

Sirs: We, your conference committee, appointed to adjust the differences between the senate and the house of representatives on **HB 1905** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

L. Taylor

Eltife

Uresti

Hancock

Kolkhorst

On the part of the senate

Springer

D. Bonnen

Darby

C. Turner

Wray

On the part of the house

**HB 1905**, A bill to be entitled An Act relating to certain state and local taxes, including ad valorem taxes, and to the repeal of certain of those taxes.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 34.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 34.04. EXEMPTION FROM TAXES. ~~[(a) The taxes imposed by this code shall be paid on all alcoholic beverages on a commercial passenger aircraft departing from an airport in this state, in accordance with rules and regulations prescribed by the commission.~~

~~[(b)] The preparation and service of alcoholic beverages by the holder of an airline beverage permit is exempt from a tax imposed by this code and from the tax imposed by Chapter 151, Tax Code [the Limited Sales, Excise and Use Tax Act]. [An airline beverage service fee of five cents is imposed on each individual serving of an alcoholic beverage served by the permittee inside the state. The fee accrues at the time the container containing an alcoholic beverage is delivered to the passenger. The permittee may absorb the cost of the fee or may collect it from the passenger. The permittee shall remit the fees to the commission each month under a reporting system prescribed by the commission.]~~

SECTION 2. Section 48.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 48.04. EXEMPTION FROM TAXES. ~~[(a) The taxes imposed by this code shall be paid on all alcoholic beverages on a commercial passenger train departing from a depot in this state in accordance with the rules prescribed by the commission.~~

~~[(b)] The preparation and service of alcoholic beverages by the holder of a passenger train beverage permit is exempt from a tax imposed by this chapter and from the tax imposed by Chapter 151, Tax Code [the Limited Sales, Excise, and Use Tax Act (Section 151.001 et seq., Tax Code)]. [A passenger train service fee of five cents is imposed on each individual serving of an alcoholic beverage served by the permittee inside the state. The fee accrues at the time the container containing an alcoholic beverage is delivered to the passenger. The permittee shall remit the fees to the commission each month under a reporting system prescribed by the commission.]~~

SECTION 3. Section 2001.103(d), Occupations Code, is amended to read as follows:

(d) An organization operating under a temporary license is subject to:

- (1) the ~~[taxes and]~~ fees authorized or imposed by this chapter; and
- (2) the other provisions of this chapter to the extent they can be made applicable.

SECTION 4. Section 2001.312, Occupations Code, is amended to read as follows:

Sec. 2001.312. FAILURE TO FILE ~~[TAX OR]~~ FEE REPORTS. A person is not eligible for a license or a license renewal unless all required reports ~~[-tax returns,]~~ and requested information have been filed under this chapter.

SECTION 5. Section 2001.355(b), Occupations Code, is amended to read as follows:

(b) Before temporarily suspending a license, the director of bingo operations must follow any prehearing rules adopted by the commission to determine if the license holder's continued operation may constitute:

- (1) an immediate threat to the health, safety, morals, or welfare of the public; or
- (2) a financial loss to this state, which includes a license holder's failure to remit ~~[taxes under Section 2001.501 or]~~ prize fee payments under Section 2001.502 to the commission as required by that section ~~[those sections]~~.

SECTION 6. Section 2001.437(a), Occupations Code, is amended to read as follows:

(a) If the unit accounting agreement of a unit states that a unit manager is responsible for compliance with commission rules and this chapter, the unit manager is responsible for:

(1) the filing of one quarterly report for the unit on a form prescribed by the commission; and

(2) the payment of ~~[taxes and]~~ fees and the maintenance of the bingo inventory and financial records of the unit.

SECTION 7. Section 2001.438(f), Occupations Code, is amended to read as follows:

(f) Each licensed authorized organization that is a member of the unit shall be jointly and severally liable for:

(1) compliance with the requirements of this subchapter and the rules of the commission relating to the filing of required reports;

(2) the maintenance of bingo inventory and financial records; and

(3) the payment of ~~[taxes,]~~ fees ~~[,]~~ and any penalties imposed for a violation of this subchapter or commission rules related to the operations of the unit.

SECTION 8. The heading to Subchapter K, Chapter 2001, Occupations Code, is amended to read as follows:

#### SUBCHAPTER K. ~~[TAXES AND]~~ PRIZE FEES

SECTION 9. Section 2001.504, Occupations Code, is amended to read as follows:

Sec. 2001.504. PAYMENT AND REPORTING OF ~~[TAX OR]~~ FEE. (a) A ~~[tax or]~~ fee on prizes authorized or imposed under this subchapter is due and is payable by the license holder or a person conducting bingo without a license to the commission quarterly on or before the 25th day of the month succeeding each calendar quarter.

(b) The report of the ~~[a tax or]~~ fee on prizes must be filed under oath on forms prescribed by the commission.

(c) The commission shall adopt rules for the payment of the fee on prizes ~~[taxes and fees]~~.

(d) A license holder required to file a report of the fee on prizes ~~[tax return]~~ shall deliver the quarterly report ~~[return]~~ with the net amount of the fee ~~[tax]~~ due to the commission.

~~[(e) The commission shall deposit the revenue collected under this section to the credit of the general revenue fund.]~~

SECTION 10. Section 2001.508, Occupations Code, is amended to read as follows:

Sec. 2001.508. PENALTIES FOR FAILURE TO PAY OR REPORT. (a) If a person fails to file a report of the fee on prizes ~~[return]~~ as required by this chapter or fails to pay to the commission the fee on prizes ~~[taxes]~~ imposed under this chapter when the report ~~[return]~~ or payment is due, the person forfeits five percent of the amount due as a penalty, and after the first 30 days, the person forfeits an additional five percent.

(b) A delinquent payment of the fee on prizes ~~[tax]~~ accrues interest at the rate provided by Section 111.060, Tax Code, beginning on the 60th day after the due date.

SECTION 11. Section 2001.509, Occupations Code, is amended to read as follows:

Sec. 2001.509. RECOMPUTATION OF PRIZE FEE ~~[TAX]~~. If the commission is not satisfied with a report of the fee on prizes ~~[tax return]~~ or the amount of the fee on prizes ~~[tax]~~ required to be remitted under this chapter to the state by a person, the commission may compute and determine the amount required to be paid on the basis of:

(1) the facts contained in the report of the fee on prizes ~~[return]~~ or report of receipts and expenses; or

(2) any information possessed by the commission or that may come into the possession of the commission, without regard to the period covered by the information.

SECTION 12. The heading to Section 2001.510, Occupations Code, is amended to read as follows:

Sec. 2001.510. DETERMINATION IF NO REPORT ~~[RETURN]~~ MADE.

SECTION 13. Sections 2001.510(a) and (c), Occupations Code, are amended to read as follows:

(a) If a license holder fails to make a required report of the fee on prizes ~~[return]~~, or if a person conducts bingo without a license, the commission shall make an estimate of the prizes awarded at a bingo occasion ~~[or of the gross rentals received by a license holder for the rental of premises]~~. The commission shall make the estimate for the period in respect to which the license holder or other person failed to make a report ~~[return]~~.

(c) On the basis of the commission's estimate, the commission shall compute and determine the amount of the fee on prizes ~~[taxes or fees]~~ required to be paid to the state and shall add to that amount a penalty of 10 percent of the amount.

SECTION 14. Sections 2001.511(a) and (c), Occupations Code, are amended to read as follows:

(a) If the commission believes that the collection of the ~~[a gross rental tax or]~~ fee on prizes, an amount of the ~~[tax or]~~ fee on prizes required to be remitted to the state, or the amount of a determination will be jeopardized by delay, the commission shall make a determination of the ~~[tax or]~~ fee on prizes or amount of the ~~[tax or]~~ fee required to be collected, noting the finding of jeopardy on the determination. The determined amount is due and payable immediately.

(c) A delinquency penalty of 10 percent of the ~~[tax or]~~ fee on prizes or amount of the ~~[tax or]~~ fee on prizes and interest at the rate of 10 percent a year attaches to the amount of the ~~[tax or]~~ fee on prizes or the amount of the ~~[tax or]~~ fee on prizes required to be collected.

SECTION 15. Section 2001.512, Occupations Code, is amended to read as follows:

Sec. 2001.512. APPLICATION OF TAX LAWS. (a) Subtitle B, Title 2, Tax Code, applies to the administration, collection, and enforcement of ~~[the gross rentals tax imposed under Section 2001.501 and]~~ the fee on prizes imposed under Section 2001.502 except as modified by this chapter.

(b) In applying the provisions of Subtitle B, Title 2, Tax Code, to ~~[the gross rentals tax imposed under Section 2001.501 and]~~ the fee on prizes imposed under Section 2001.502 only, the fee on prizes is treated as if it were a tax and the powers and duties assigned to the comptroller under that subtitle are assigned to the commission.

SECTION 16. Section 2001.513(a), Occupations Code, is amended to read as follows:

(a) At any time within three years after a person is delinquent in the payment of an amount of the ~~[gross rentals tax or]~~ fee on prizes, the commission may collect the amount under this section.

SECTION 17. Sections 2001.514(a), (c), and (d), Occupations Code, are amended to read as follows:

(a) To secure payment of ~~[the tax on gross rentals or]~~ the fee on prizes imposed under this subchapter, each license holder shall furnish to the commission:

- (1) a cash bond;
- (2) a bond from a surety company chartered or authorized to do business in this state;
- (3) certificates of deposit;
- (4) certificates of savings;
- (5) United States treasury bonds;
- (6) subject to the approval of the commission, an assignment of negotiable stocks or bonds; or
- (7) other security as the commission considers sufficient.

(c) On a license holder's failure to pay ~~[the gross rentals tax or]~~ the fee on prizes imposed under this subchapter, the commission may notify the license holder and any surety of the delinquency by jeopardy or deficiency determination. If payment is not made when due, the commission may forfeit all or part of the bond or security.

(d) If the license holder ceases to conduct bingo and relinquishes the license holder's license, the commission shall authorize the release of all bonds and other security on a determination that no amounts of ~~[the gross rentals tax or]~~ the fee on prizes remain due and payable under this subchapter.

SECTION 18. Section 2001.515, Occupations Code, is amended to read as follows:

Sec. 2001.515. COMMISSION'S ~~[TAX]~~ DUTIES. The commission shall perform all functions incident to the administration, collection, enforcement, and operation of the fee on prizes ~~[a tax]~~ imposed under this subchapter.

SECTION 19. (a) Subchapter B, Chapter 11, Tax Code, is amended by adding Section 11.211 to read as follows:

Sec. 11.211. REAL PROPERTY LEASED TO CERTAIN SCHOOLS. A person is entitled to an exemption from taxation of the real property that the person owns and leases to a school that is qualified as provided by Section 11.21(d) if:

(1) the real property is used exclusively by the school for educational functions;

(2) the real property is reasonably necessary for the operation of the school;

(3) the owner certifies by affidavit to the school that the rent for the lease of the real property will be reduced by an amount equal to the amount by which the taxes on the property are reduced as a result of the exemption;

(4) the owner provides the school with a disclosure document stating the amount by which the taxes on the real property are reduced as a result of the exemption and the method the owner will implement to ensure that the rent charged for the lease of the property fully reflects that reduction; and

(5) the rent charged for the lease of the real property reflects the reduction in the amount of taxes on the property resulting from the exemption through a monthly or annual credit against the rent.

(b) This section applies only to ad valorem taxes imposed for a tax year beginning on or after the effective date of this section.

SECTION 20. (a) Section 11.231, Tax Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) In addition to an organization described by Subsection (a), in this section, "nonprofit community business organization" also means a Type A corporation governed by Chapter 504, Local Government Code, and a Type B corporation governed by Chapter 505, Local Government Code.

(b) This section applies only to ad valorem taxes imposed for a tax year that begins on or after the effective date of this section.

SECTION 21. Section 151.314, Tax Code, is amended by amending Subsections (b-1), (c-2), and (h) and adding Subsection (c-4) to read as follows:

(b-1) For purposes of this section, "snack items" means ~~includes~~:

(1) breakfast bars, granola bars, nutrition bars, sports bars, protein bars, or yogurt bars, unless labeled and marketed as candy;

(2) snack mix or trail mix;

(3) nuts, but not including pine nuts or ~~unless~~ candy-coated nuts;

(4) popcorn; ~~and~~

(5) chips, crackers, ~~or~~ hard pretzels, pork rinds, or corn nuts;

(6) sunflower seeds or pumpkin seeds;

(7) ice cream, sherbet, or frozen yogurt; and

(8) ice pops, juice pops, sorbet, or other frozen fruit items containing not more than 50 percent fruit juice by volume.

(c-2) The exemption provided by Subsection (a) does not include the following prepared food:

(1) food, food products, and drinks, including meals, milk and milk products, fruit and fruit products, sandwiches, salads, processed meats and seafoods, vegetable juice, and ice cream in cones or small cups, served, prepared,

or sold ready for immediate consumption ~~[in or]~~ by restaurants, lunch counters, cafeterias, delis, vending machines, hotels, or like places of business or sold ready for immediate consumption from pushcarts, motor vehicles, or any other form of vehicle;

(2) food sold in a heated state or heated by the seller; or

(3) two or more food ingredients mixed or combined by the seller for sale as a single item, including items that are sold in an unheated state by weight or volume as a single item, but not including food that is only cut, repackaged, or pasteurized by the seller.

(c-4) For purposes of Subdivision (c-2)(1), if a grocery store or convenience store contains a type of location listed in that subdivision, the store is considered a like place of business for purposes of that subdivision, but only in relation to items sold at that location.

(h) The exemption provided by Subsection (a) does not apply to a snack item if the item is sold through a vending machine or is sold in individual-sized portions. For purposes of this subsection, an individual-sized portion is a portion that:

(1) is labeled as having not more than one serving; or

(2) contains less than 2.5 ounces~~[-if the package does not specify the number of servings].~~

SECTION 22. (a) Section 156.001, Tax Code, is amended to read as follows:

Sec. 156.001. DEFINITIONS ~~[DEFINITION]~~. (a) In this chapter, "hotel" means a building in which members of the public obtain sleeping accommodations for consideration. The term includes a hotel, motel, tourist home, tourist house, tourist court, lodging house, inn, rooming house, or bed and breakfast. The term does not include:

(1) a hospital, sanitarium, or nursing home;

(2) a dormitory or other housing facility owned or leased and operated by an institution of higher education or a private or independent institution of higher education as those terms are defined by Section 61.003, Education Code, used by the institution for the purpose of providing sleeping accommodations for persons engaged in an educational program or activity at the institution; or

(3) an oilfield portable unit, as defined by Section 152.001.

(b) For purposes of the imposition of a hotel occupancy tax under this chapter, Chapter 351 or 352, or other law, "hotel" includes a short-term rental. In this subsection, "short-term rental" means the rental of all or part of a residential property to a person who is not a permanent resident under Section 156.101.

(b) The heading to Section 351.005, Tax Code, is amended to read as follows:

Sec. 351.005. REIMBURSEMENT FOR [TAX COLLECTION] EXPENSES OF TAX COLLECTION AND USE OF ELECTRONIC TAX ADMINISTRATION SYSTEM.

(c) Section 351.005(a), Tax Code, is amended to read as follows:

(a) A municipality may permit a person who is required to collect and pay over to the municipality the tax authorized by this chapter not more than one percent of the amount collected and required to be reported as reimbursement to the person for the costs in collecting the tax and, if applicable, the use of an electronic tax administration system described by Section 351.1012.

(d) Subchapter B, Chapter 351, Tax Code, is amended by adding Section 351.1012 to read as follows:

Sec. 351.1012. ELECTRONIC TAX ADMINISTRATION SYSTEM. (a) Notwithstanding any other provision of this chapter, a municipality may spend not more than one percent of the revenue derived from the tax authorized by this chapter for the creation, maintenance, operation, and administration of an electronic tax administration system.

(b) A municipality may contract with a third party to assist in the creation, maintenance, operation, or administration of the electronic tax administration system.

(e) The amendments made by this section to Section 156.001, Tax Code, are a clarification of existing law and do not imply that existing law may be construed as inconsistent with the law as amended by this section.

(f) This section takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for this section to have immediate effect, this section takes effect September 1, 2015.

SECTION 23. Sections 162.001(38), (39), and (42), Tax Code, are amended to read as follows:

(38) "License holder" means a person licensed by the comptroller under Section 162.105, 162.205, ~~[162.304, 162.305, 162.306,]~~ 162.357, or 162.358.

(39) "Liquefied gas" means all combustible gases that exist in the gaseous state at 60 degrees Fahrenheit and at a pressure of 14.7 pounds per square inch absolute, but does not include compressed natural gas, liquefied natural gas, gasoline, or diesel fuel. Liquefied gas is considered a special fuel for purposes of Section 151.308.

(42) "Motor fuel" means gasoline, diesel fuel, ~~[liquefied gas,]~~ gasoline blended fuel, compressed natural gas, liquefied natural gas, and other products that are offered for sale, sold, used, or capable of use as fuel for a gasoline-powered engine or a diesel-powered engine.

SECTION 24. Section 162.104(a), Tax Code, is amended to read as follows:

(a) The tax imposed by this subchapter does not apply to gasoline:

(1) sold to the United States for its exclusive use, provided that the exemption does not apply with respect to fuel sold or delivered to a person operating under a contract with the United States;

(2) sold to a public school district in this state for the district's exclusive use;



(3) sold to a commercial transportation company or a metropolitan rapid transit authority operating under Chapter 451, Transportation Code, that provides public school transportation services to a school district under Section 34.008, Education Code, and that uses the gasoline only to provide those services;

(4) exported by either a licensed supplier or a licensed exporter from this state to any other state, provided that:

(A) for gasoline in a situation described by Subsection (d), the bill of lading indicates the destination state and the supplier collects the destination state tax; or

(B) for gasoline in a situation described by Subsection (e), the bill of lading indicates the destination state, the gasoline is subsequently exported, and the exporter is licensed in the destination state to pay that state's tax and has an exporter's license issued under this subchapter;

(5) moved by truck or railcar between licensed suppliers or licensed permissive suppliers and in which the gasoline removed from the first terminal comes to rest in the second terminal, provided that the removal from the second terminal rack is subject to the tax imposed by this subchapter;

(6) delivered or sold into a storage facility of a licensed aviation fuel dealer from which gasoline will be delivered solely into the fuel supply tanks of aircraft or aircraft servicing equipment, or sold from one licensed aviation fuel dealer to another licensed aviation fuel dealer who will deliver the aviation fuel exclusively into the fuel supply tanks of aircraft or aircraft servicing equipment;

(7) exported to a foreign country if the bill of lading indicates the foreign destination and the fuel is actually exported to the foreign country; ~~or~~

(8) sold to a volunteer fire department in this state for the department's exclusive use; or

(9) sold to a nonprofit entity that is organized for the sole purpose of and engages exclusively in providing emergency medical services and that uses the gasoline exclusively to provide emergency medical services, including rescue and ambulance services.

SECTION 25. Section 162.125, Tax Code, is amended by adding Subsection (g-2) to read as follows:

(g-2) A nonprofit entity exempted under Section 162.104(a)(9) from the tax imposed under this subchapter that paid tax on the purchase of gasoline is entitled to a refund of the tax paid, and the entity may file a refund claim with the comptroller for that amount.

SECTION 26. Section 162.204(a), Tax Code, is amended to read as follows:

(a) The tax imposed by this subchapter does not apply to:

(1) diesel fuel sold to the United States for its exclusive use, provided that the exemption does not apply to diesel fuel sold or delivered to a person operating under a contract with the United States;

(2) diesel fuel sold to a public school district in this state for the district's exclusive use;

(3) diesel fuel sold to a commercial transportation company or a metropolitan rapid transit authority operating under Chapter 451, Transportation Code, that provides public school transportation services to a school district under Section 34.008, Education Code, and that uses the diesel fuel only to provide those services;

(4) diesel fuel exported by either a licensed supplier or a licensed exporter from this state to any other state, provided that:

(A) for diesel fuel in a situation described by Subsection (d), the bill of lading indicates the destination state and the supplier collects the destination state tax; or

(B) for diesel fuel in a situation described by Subsection (e), the bill of lading indicates the destination state, the diesel fuel is subsequently exported, and the exporter is licensed in the destination state to pay that state's tax and has an exporter's license issued under this subchapter;

(5) diesel fuel moved by truck or railcar between licensed suppliers or licensed permissive suppliers and in which the diesel fuel removed from the first terminal comes to rest in the second terminal, provided that the removal from the second terminal rack is subject to the tax imposed by this subchapter;

(6) diesel fuel delivered or sold into a storage facility of a licensed aviation fuel dealer from which the diesel fuel will be delivered solely into the fuel supply tanks of aircraft or aircraft servicing equipment, or sold from one licensed aviation fuel dealer to another licensed aviation fuel dealer who will deliver the diesel fuel exclusively into the fuel supply tanks of aircraft or aircraft servicing equipment;

(7) diesel fuel exported to a foreign country if the bill of lading indicates the foreign destination and the fuel is actually exported to the foreign country;

(8) dyed diesel fuel sold or delivered by a supplier to another supplier and dyed diesel fuel sold or delivered by a supplier or distributor into the bulk storage facility of a dyed diesel fuel bonded user or to a purchaser who provides a signed statement as provided by Section 162.206;

(9) the volume of water, fuel ethanol, renewable diesel, biodiesel, or mixtures thereof that are blended together with taxable diesel fuel when the finished product sold or used is clearly identified on the retail pump, storage tank, and sales invoice as a combination of diesel fuel and water, fuel ethanol, renewable diesel, biodiesel, or mixtures thereof;

(10) dyed diesel fuel sold by a supplier or permissive supplier to a distributor, or by a distributor to another distributor;

(11) dyed diesel fuel delivered by a license holder into the fuel supply tanks of railway engines, motorboats, or refrigeration units or other stationary equipment powered by a separate motor from a separate fuel supply tank;

(12) dyed kerosene when delivered by a supplier, distributor, or importer into a storage facility at a retail business from which all deliveries are exclusively for heating, cooking, lighting, or similar nonhighway use;

(13) diesel fuel used by a person, other than a political subdivision, who owns, controls, operates, or manages a commercial motor vehicle as defined by Section 548.001, Transportation Code, if the fuel:

(A) is delivered exclusively into the fuel supply tank of the commercial motor vehicle; and

(B) is used exclusively to transport passengers for compensation or hire between points in this state on a fixed route or schedule; ~~or~~

(14) diesel fuel sold to a volunteer fire department in this state for the department's exclusive use; or

(15) diesel fuel sold to a nonprofit entity that is organized for the sole purpose of and engages exclusively in providing emergency medical services and that uses the diesel fuel exclusively to provide emergency medical services, including rescue and ambulance services.

SECTION 27. Section 162.227, Tax Code, is amended by adding Subsection (f-2) to read as follows:

(f-2) A nonprofit entity exempted under Section 162.204(a)(15) from the tax imposed under this subchapter that paid tax on the purchase of diesel fuel is entitled to a refund of the tax paid, and the entity may file a refund claim with the comptroller for that amount.

SECTION 28. Section 162.356, Tax Code, is amended to read as follows:

Sec. 162.356. EXEMPTIONS. (a) The tax imposed by this subchapter does not apply to compressed natural gas or liquefied natural gas delivered into the fuel supply tank of:

(1) a motor vehicle operated exclusively by the United States, provided that the exemption does not apply with respect to fuel delivered into the fuel supply tank of a motor vehicle of a person operating under a contract with the United States;

(2) a motor vehicle operated exclusively by a public school district in this state;

(3) a motor vehicle operated exclusively by a commercial transportation company or a metropolitan rapid transit authority operating under Chapter 451, Transportation Code, that provides public school transportation services to a school district under Section 34.008, Education Code, and that uses the fuel only to provide those services;

(4) a motor vehicle operated exclusively by a volunteer fire department in this state;

(5) a motor vehicle operated exclusively by a municipality or county in this state;

(6) a motor vehicle operated exclusively by a nonprofit electric cooperative corporation organized under Chapter 161, Utilities Code;

(7) a motor vehicle operated exclusively by a nonprofit telephone cooperative corporation organized under Chapter 162, Utilities Code;

(8) a motor vehicle that is not registered for use on the public highways of this state and that is used exclusively off-highway; ~~or~~

(9) a motor vehicle operated exclusively by a nonprofit entity that is organized for the sole purpose of and engages exclusively in providing emergency medical services and that uses the fuel exclusively to provide emergency medical services, including rescue and ambulance services;

(10) off-highway equipment, a stationary engine, a motorboat, an aircraft, equipment used solely for servicing aircraft and used exclusively off-highway, a locomotive, or any device other than a motor vehicle operated or intended to be operated on the public highways; or

(11) except as provided by Subsection (b), a motor vehicle:

(A) used to provide the services of a transit company, including a metropolitan rapid transit authority under Chapter 451, Transportation Code, or a regional transportation authority under Chapter 452, Transportation Code; and

(B) operated by a person who on January 1, 2015, paid tax on compressed natural gas or liquefied natural gas as provided by Section 162.312, as that section existed on that date.

(b) The exemption provided by Subsection (a)(11) does not apply to compressed natural gas or liquefied natural gas delivered into the fuel supply tank of a motor vehicle from a refueling facility accessible to motor vehicles other than those described by Subsection (a)(11)(A).

SECTION 29. Section 162.365(a), Tax Code, is amended to read as follows:

(a) A license holder may take a credit on a return for the period in which the purchase occurred, and a person who does not hold a license under this subchapter may file a refund claim with the comptroller if the license holder or person paid tax on compressed natural gas or liquefied natural gas and the license holder or person:

(1) is the United States government and the fuel was delivered into the fuel supply tank of a motor vehicle operated exclusively by the United States, provided that a credit or refund is not allowed for fuel delivered into the fuel supply tank of a motor vehicle operated by a person operating under a contract with the United States;

(2) is a public school district in this state and the fuel was delivered into the fuel supply tank of a motor vehicle operated exclusively by the district;

(3) is a commercial transportation company that provides public school transportation services to a school district under Section 34.008, Education Code, and the fuel was delivered into the fuel supply tank of a motor vehicle used to provide those services;

(4) is a volunteer fire department in this state and the fuel was delivered into the fuel supply tank of a motor vehicle operated exclusively by the department;

(5) is a municipality or county in this state and the fuel was delivered into the fuel supply tank of a motor vehicle operated exclusively by the municipality or county;

(6) is a nonprofit electric cooperative corporation organized under Chapter 161, Utilities Code, and the fuel was delivered into the fuel supply tank of a motor vehicle operated exclusively by the electric cooperative;

(7) is a nonprofit telephone cooperative corporation organized under Chapter 162, Utilities Code, and the fuel was delivered into the fuel supply tank of a motor vehicle operated exclusively by the telephone cooperative;

(8) uses the fuel in off-highway equipment, in a stationary engine, in a motorboat, in an aircraft, in equipment used solely for servicing aircraft and used exclusively off-highway, in a locomotive, or for other nonhighway purposes and not in a motor vehicle operated or intended to be operated on the public highways; ~~[or]~~

(9) uses the fuel in a motor vehicle that is operated exclusively off-highway, except for incidental travel on the public highways as determined by the comptroller, provided that a credit or refund may not be allowed for the portion used in the incidental highway travel; or

(10) is a nonprofit entity that is organized for the sole purpose of and engages exclusively in providing emergency medical services and the fuel was delivered into the fuel supply tank of a motor vehicle operated exclusively by the nonprofit entity to provide emergency medical services, including rescue and ambulance services.

SECTION 30. Section 162.402(a), Tax Code, is amended to read as follows:

(a) A person forfeits to the state a civil penalty of not less than \$25 and not more than \$200 if the person:

(1) refuses to stop and permit the inspection and examination of a motor vehicle transporting or using motor fuel on demand of a peace officer or the comptroller;

(2) operates a motor vehicle in this state without a valid interstate trucker's license or a trip permit when the person is required to hold one of those licenses or permits;

~~(3) [operates a liquefied gas propelled motor vehicle that is required to be licensed in this state, including motor vehicles equipped with dual carburetion, and does not display a current liquefied gas tax decal or multistate fuels tax agreement decal;~~

~~[(4) makes a tax free sale or delivery of liquefied gas into the fuel supply tank of a motor vehicle that does not display a current Texas liquefied gas tax decal;~~

~~[(5) makes a taxable sale or delivery of liquefied gas without holding a valid dealer's license;~~

~~[(6) makes a tax free sale or delivery of liquefied gas into the fuel supply tank of a motor vehicle bearing out of state license plates;~~

~~[(7) makes a delivery of liquefied gas into the fuel supply tank of a motor vehicle bearing Texas license plates and no Texas liquefied gas tax decal, unless licensed under a multistate fuels tax agreement;~~

~~[(8)] transports gasoline or diesel fuel in any cargo tank that has a connection by pipe, tube, valve, or otherwise with the fuel injector or carburetor of, or with the fuel supply tank feeding the fuel injector or carburetor of, the motor vehicle transporting the product;~~

(4) ~~(9)~~ sells or delivers gasoline or diesel fuel from any fuel supply tank connected with the fuel injector or carburetor of a motor vehicle;

(5) ~~(10)~~ owns or operates a motor vehicle for which reports or mileage records are required by this chapter without an operating odometer or other device in good working condition to record accurately the miles traveled;

(6) ~~(11)~~ furnishes to a licensed supplier or distributor a signed statement for purchasing diesel fuel tax-free and then uses the tax-free diesel fuel to operate a diesel-powered motor vehicle on a public highway;

(7) ~~(12)~~ fails or refuses to comply with or violates a provision of this chapter;

(8) ~~(13)~~ fails or refuses to comply with or violates a comptroller's rule for administering or enforcing this chapter;

(9) ~~(14)~~ is an importer who does not obtain an import verification number when required by this chapter;

(10) ~~(15)~~ purchases motor fuel for export, on which the tax imposed by this chapter has not been paid, and subsequently diverts or causes the motor fuel to be diverted to a destination in this state or any other state or country other than the originally designated state or country without first obtaining a diversion number;

(11) ~~(16)~~ delivers compressed natural gas or liquefied natural gas into the fuel supply tank of a motor vehicle and the person does not hold a valid compressed natural gas and liquefied natural gas dealer's license; or

(12) ~~(17)~~ makes a tax-free delivery of compressed natural gas or liquefied natural gas into the fuel supply tank of a motor vehicle, unless the delivery is exempt from tax under Section 162.356.

SECTION 31. Section 162.403, Tax Code, is amended to read as follows:

Sec. 162.403. CRIMINAL OFFENSES. Except as provided by Section 162.404, a person commits an offense if the person:

(1) refuses to stop and permit the inspection and examination of a motor vehicle transporting or using motor fuel on the demand of a peace officer or the comptroller;

(2) is required to hold a valid trip permit or interstate trucker's license, but operates a motor vehicle in this state without a valid trip permit or interstate trucker's license;

(3) ~~[operates a liquefied gas propelled motor vehicle that is required to be licensed in this state, including a motor vehicle equipped with dual carburetion, and does not display a current liquefied gas tax decal or multistate fuels tax agreement decal;~~

~~(4)~~ transports gasoline or diesel fuel in any cargo tank that has a connection by pipe, tube, valve, or otherwise with the fuel injector or carburetor or with the fuel supply tank feeding the fuel injector or carburetor of the motor vehicle transporting the product;

(4) ~~(5)~~ sells or delivers gasoline or diesel fuel from a fuel supply tank that is connected with the fuel injector or carburetor of a motor vehicle;

(5) ~~[(6)]~~ owns or operates a motor vehicle for which reports or mileage records are required by this chapter without an operating odometer or other device in good working condition to record accurately the miles traveled;

(6) ~~[(7)]~~ sells or delivers dyed diesel fuel for the operation of a motor vehicle on a public highway;

(7) ~~[(8)]~~ uses dyed diesel fuel for the operation of a motor vehicle on a public highway except as allowed under Section 162.235;

(8) ~~[(9)]~~ makes a tax-free sale or delivery of liquefied gas into the fuel supply tank of a motor vehicle that does not display a current Texas liquefied gas tax decal;

~~[(10)]~~ makes a sale or delivery of liquefied gas on which the person knows the tax is required to be collected, if at the time the sale is made the person does not hold a valid dealer's license;

~~[(11)]~~ makes a tax-free sale or delivery of liquefied gas into the fuel supply tank of a motor vehicle bearing out-of-state license plates;

~~[(12)]~~ makes a delivery of liquefied gas into the fuel supply tank of a motor vehicle bearing Texas license plates and no Texas liquefied gas tax decal, unless licensed under a multistate fuels tax agreement;

~~[(13)]~~ refuses to permit the comptroller or the attorney general to inspect, examine, or audit a book or record required to be kept by a license holder, other user, or any person required to hold a license under this chapter;

(9) ~~[(14)]~~ refuses to permit the comptroller or the attorney general to inspect or examine any plant, equipment, materials, or premises where motor fuel is produced, processed, blended, stored, sold, delivered, or used;

(10) ~~[(15)]~~ refuses to permit the comptroller, the attorney general, an employee of either of those officials, a peace officer, an employee of the Texas Commission on Environmental Quality, or an employee of the Department of Agriculture to measure or gauge the contents of or take samples from a storage tank or container on premises where motor fuel is produced, processed, blended, stored, sold, delivered, or used;

(11) ~~[(16)]~~ is a license holder, a person required to be licensed, or another user and fails or refuses to make or deliver to the comptroller a report required by this chapter to be made and delivered to the comptroller;

(12) ~~[(17)]~~ is an importer who does not obtain an import verification number when required by this chapter;

(13) ~~[(18)]~~ purchases motor fuel for export, on which the tax imposed by this chapter has not been paid, and subsequently diverts or causes the motor fuel to be diverted to a destination in this state or any other state or country other than the originally designated state or country without first obtaining a diversion number;

(14) ~~[(19)]~~ conceals motor fuel with the intent of engaging in any conduct proscribed by this chapter or refuses to make sales of motor fuel on the volume-corrected basis prescribed by this chapter;

(15) ~~[(20)]~~ refuses, while transporting motor fuel, to stop the motor vehicle the person is operating when called on to do so by a person authorized to stop the motor vehicle;

(16) [~~(21)~~] refuses to surrender a motor vehicle and cargo for impoundment after being ordered to do so by a person authorized to impound the motor vehicle and cargo;

(17) [~~(22)~~] mutilates, destroys, or secretes a book or record required by this chapter to be kept by a license holder, other user, or person required to hold a license under this chapter;

(18) [~~(23)~~] is a license holder, other user, or other person required to hold a license under this chapter, or the agent or employee of one of those persons, and makes a false entry or fails to make an entry in the books and records required under this chapter to be made by the person or fails to retain a document as required by this chapter;

(19) [~~(24)~~] transports in any manner motor fuel under a false cargo manifest or shipping document, or transports in any manner motor fuel to a location without delivering at the same time a shipping document relating to that shipment;

(20) [~~(25)~~] engages in a motor fuel transaction that requires that the person have a license under this chapter without then and there holding the required license;

(21) [~~(26)~~] makes and delivers to the comptroller a report required under this chapter to be made and delivered to the comptroller, if the report contains false information;

(22) [~~(27)~~] forges, falsifies, or alters an invoice or shipping document prescribed by law;

(23) [~~(28)~~] makes any statement, knowing said statement to be false, in a claim for a tax refund filed with the comptroller;

(24) [~~(29)~~] furnishes to a licensed supplier or distributor a signed statement for purchasing diesel fuel tax-free and then uses the tax-free diesel fuel to operate a diesel-powered motor vehicle on a public highway;

(25) [~~(30)~~] holds an aviation fuel dealer's license and makes a taxable sale or use of any gasoline or diesel fuel;

(26) [~~(31)~~] fails to remit any tax funds collected or required to be collected by a license holder, another user, or any other person required to hold a license under this chapter;

(27) [~~(32)~~] makes a sale of dyed diesel fuel tax-free into a storage facility of a person who:

(A) is not licensed as a distributor, as an aviation fuel dealer, or as a dyed diesel fuel bonded user; or

(B) does not furnish to the licensed supplier or distributor a signed statement prescribed in Section 162.206;

(28) [~~(33)~~] makes a sale of gasoline tax-free to any person who is not licensed as an aviation fuel dealer;

(29) [~~(34)~~] purchases any motor fuel tax-free when not authorized to make a tax-free purchase under this chapter;



(30) ~~[(35)]~~ purchases motor fuel with the intent to evade any tax imposed by this chapter or accepts a delivery of motor fuel by any means and does not at the same time accept or receive a shipping document relating to the delivery;

(31) ~~[(36)]~~ transports motor fuel for which a cargo manifest or shipping document is required to be carried without possessing or exhibiting on demand by an officer authorized to make the demand a cargo manifest or shipping document containing the information required to be shown on the manifest or shipping document;

(32) ~~[(37)]~~ imports, sells, uses, blends, distributes, or stores motor fuel within this state on which the taxes imposed by this chapter are owed but have not been first paid to or reported by a license holder, another user, or any other person required to hold a license under this chapter;

(33) ~~[(38)]~~ blends products together to produce a blended fuel that is offered for sale, sold, or used and that expands the volume of the original product to evade paying applicable motor fuel taxes;

(34) ~~[(39)]~~ evades or attempts to evade in any manner a tax imposed on motor fuel by this chapter;

(35) ~~[(40)]~~ delivers compressed natural gas or liquefied natural gas into the fuel supply tank of a motor vehicle and the person does not hold a valid compressed natural gas and liquefied natural gas dealer's license; or

(36) ~~[(41)]~~ makes a tax-free delivery of compressed natural gas or liquefied natural gas into the fuel supply tank of a motor vehicle, unless the delivery is exempt from tax under Section 162.356.

SECTION 32. Section 162.404, Tax Code, is amended to read as follows:

Sec. 162.404. CRIMINAL OFFENSES: SPECIAL PROVISIONS AND EXCEPTIONS. (a) A person does not commit an offense under Section 162.403 unless the person intentionally or knowingly engaged in conduct as the definition of the offense requires, except that no culpable mental state is required for an offense under Section 162.403(5) ~~[162.403(6)]~~.

(b) Each day that a refusal prohibited under Section 162.403(8), (9), or (10) ~~[162.403(13), (14), or (15)]~~ continues is a separate offense.

(c) The prohibition under Section 162.403(27) ~~[162.403(32)]~~ does not apply to the tax-free sale or distribution of diesel fuel authorized by Section 162.204(a)(1) ~~[162.204(1)]~~, (2), or (3).

(d) The prohibition under Section 162.403(28) ~~[162.403(33)]~~ does not apply to the tax-free sale or distribution of gasoline under Section 162.104(a)(1) ~~[162.104(1)]~~, (2), or (3).

SECTION 33. Section 162.405, Tax Code, is amended to read as follows:

Sec. 162.405. CRIMINAL PENALTIES. (a) An offense under Section 162.403(1), (2), (3), (4), (5), ~~[(6),]~~ or (7) ~~[(8)]~~ is a Class C misdemeanor.

(b) An offense under Section 162.403(8), (9) ~~[162.403(9)]~~, (10), (11), (12), (13), (35), or (36) ~~[(14), (15), (16), (17), (18), (40), or (41)]~~ is a Class B misdemeanor.

(c) An offense under Section 162.403(14), (15), or (16) ~~[162.403(19), (20), or (21)]~~ is a Class A misdemeanor.

(d) An offense under Section 162.403(6), (17), (18), (19), (20), (21) ~~[162.403(7)]~~, (22), (23), or (24) ~~[, (25), (26), (27), (28), or (29)]~~ is a felony of the third degree.

(e) An offense under Section 162.403(25), (26), (27), (28), (29), (30) ~~[162.403(30)]~~, (31), (32), (33), or (34) ~~[, (35), (36), (37), (38), or (39)]~~ is a felony of the second degree.

(f) Violations of three or more separate offenses under the following sections committed pursuant to one scheme or continuous course of conduct may be considered as one offense and punished as a felony of the second degree:

- (1) Section 162.403(6) ~~[162.403(7)]~~;
- (2) Sections 162.403(8) ~~[162.403(13)]~~ through (11) ~~[(16)]~~; or
- (3) Sections 162.403(17) ~~[162.403(22)]~~ through (24) ~~[(29)]~~.

SECTION 34. Section 548.051(a), Transportation Code, is amended to read as follows:

(a) A motor vehicle, trailer, semitrailer, pole trailer, or mobile home, registered in this state, must have the following items inspected at an inspection station or by an inspector:

- (1) tires;
- (2) wheel assembly;
- (3) safety guards or flaps, if required by Section 547.606;
- (4) brake system, including power brake unit;
- (5) steering system, including power steering;
- (6) lighting equipment;
- (7) horns and warning devices;
- (8) mirrors;
- (9) windshield wipers;
- (10) sunscreening devices, unless the vehicle is exempt from sunscreen device restrictions under Section 547.613;
- (11) front seat belts in vehicles on which seat belt anchorages were part of the manufacturer's original equipment;
- (12) ~~[tax decal, if required by Section 548.104(d)(1);~~
- ~~[(13)]~~ exhaust system;
- ~~[(14)]~~ exhaust emission system;
- ~~[(15)]~~ fuel tank cap, using pressurized testing equipment approved by department rule; and
- ~~[(16)]~~ emissions control equipment as designated by department rule.

SECTION 35. Section 548.104(d), Transportation Code, is amended to read as follows:

(d) An inspection station or inspector may not issue a passing vehicle inspection report for a vehicle equipped with:

- (1) ~~[a carburetion device permitting the use of liquefied gas alone or interchangeably with another fuel, unless a valid liquefied gas tax decal issued by the comptroller is attached to the lower right hand corner of the front windshield of the vehicle on the passenger side;~~

~~[(2)]~~ a suncreening device prohibited by Section 547.613, except that the department by rule shall provide procedures for issuance of a passing vehicle inspection report for a vehicle exempt under Section 547.613(c); or

(2) ~~[(3)]~~ a compressed natural gas container unless the owner demonstrates in accordance with department rules proof:

(A) that:

(i) the container has met the inspection requirements under 49 C.F.R. Section 571.304; and

(ii) the manufacturer's recommended service life for the container, as stated on the container label required by 49 C.F.R. Section 571.304, has not expired; or

(B) that the vehicle is a fleet vehicle for which the fleet operator employs a technician certified to inspect the container.

SECTION 36. The following are repealed:

- (1) Section 411.109(c), Government Code;
- (2) Section 2001.501, Occupations Code;
- (3) Section 111.021(j), Tax Code;
- (4) Chapter 159, Tax Code;
- (5) Section 162.001(40), Tax Code;
- (6) Subchapter D, Chapter 162, Tax Code; and
- (7) Section 162.505, Tax Code.

SECTION 37. (a) The change in law made by this Act to Section 162.402(a), Tax Code, applies only to a violation that occurs on or after the effective date of this Act. A violation that occurred before the effective date of this Act is governed by the law in effect on the date the violation occurred, and the former law is continued in effect for that purpose.

(b) The changes in law made by this Act to Sections 162.403, 162.404, and 162.405, Tax Code, apply only to an offense committed on or after the effective date of this Act. An offense committed before the effective date of this Act is governed by the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense was committed before the effective date of this Act if any element of the offense occurred before that date.

(c) The comptroller of public accounts shall issue to a person who holds a liquefied gas tax decal license under Section 162.305, Tax Code, that is valid on or after the effective date of this Act a pro rata refund of the unused portion of the advanced taxes paid for the period after the effective date of this Act.

SECTION 38. The changes in law made by this Act do not affect tax liability accruing before the effective date of this Act. That liability continues in effect as if this Act had not been enacted, and the former law is continued in effect for the collection of taxes due and for civil and criminal enforcement of the liability for those taxes.

SECTION 39. (a) Except as otherwise provided by this Act, this Act takes effect September 1, 2015.

(b) Section 19 of this Act takes effect January 1, 2016, but only if a constitutional amendment authorizing the legislature to exempt from ad valorem taxation real property leased to certain schools organized and operated primarily for the purpose of engaging in educational functions is approved by the voters. If that amendment is not approved by the voters, Section 19 of this Act has no effect.

(c) Section 20 of this Act takes effect January 1, 2016.

Representative Springer moved to adopt the conference committee report on **HB 1905**.

The motion to adopt the conference committee report on **HB 1905** prevailed by (Record 1830): 132 Yeas, 9 Nays, 2 Present, not voting.

Yeas — Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Ashby; Aycock; Bernal; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cook; Craddick; Crownover; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farias; Farney; Fletcher; Flynn; Frank; Frullo; Galindo; Geren; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Hunter; Israel; Johnson; Kacal; Keffer; Keough; King, K.; King, P.; King, S.; King, T.; Koop; Krause; Kuempel; Landgraf; Larson; Laubenberg; Leach; Lozano; Márquez; Martinez; Martinez Fischer; McClendon; Metcalf; Meyer; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Murr; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Paul; Peña; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Riddle; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schofield; Schubert; Shaheen; Sheets(C); Sheffield; Simmons; Smith; Smithee; Spitzer; Springer; Stephenson; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, S.; VanDeaver; Villalba; Vo; Walle; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Bell; Hughes; Klick; Rinaldi; Schaefer; Simpson; Turner, E.S.; White, J.; White, M.

Present, not voting — Mr. Speaker; Isaac.

Absent, Excused — Longoria; Lucio; Minjarez.

Absent — Allen; Dukes; Farrar; Stickland.

#### STATEMENTS OF VOTE

When Record No. 1830 was taken, I was shown voting yes. I intended to vote no.

Faircloth

When Record No. 1830 was taken, I was shown voting yes. I intended to vote no.

Hunter

**RESOLUTIONS ADOPTED**

Representative Kacal moved to suspend all necessary rules to take up and consider at this time the following congratulatory resolutions.

The motion prevailed.

The following resolutions were laid before the house:

**HCR 126** (by Craddick), Honoring former Midland mayor Ernest Angelo, Jr., for his civic contributions and professional accomplishments.

**HCR 146** (by Craddick), Congratulating Charles and Margaret Semple of Midland on their 50th wedding anniversary.

**HR 3515** (by Giddings), Commending Morgan Constantino for her service as legislative director in the office of State Representative Helen Giddings.

**HR 3516** (by Giddings), Commending Elaina Fowler for her service as chief of staff for State Representative Helen Giddings during the 84th Legislature.

**HR 3517** (by Giddings), Commending Danielle Cooper for her service as a legislative intern in the office of State Representative Helen Giddings.

**HR 3520** (by Giddings), Commending Elaine Taylor for her service in the district office of State Representative Helen Giddings.

**HR 3527** (by Giddings), Commending Carnell Emanuel for his service as a legislative aide in the office of State Representative Helen Giddings.

**HR 3528** (by Giddings), Commending Neo Baepi for her service in the office of State Representative Helen Giddings as a participant in the Texas Legislative Internship Program.

**HR 3481** (by Schofield and Murphy), Congratulating the R Club for 20 years of service and commemorating its final event.

**SCR 52** (Leach - House Sponsor), Recognizing Jerry and Barbara Madden on the occasion of their 50th wedding anniversary.

The resolutions were adopted.

**RESOLUTIONS ADOPTED**

Representative Kacal moved to suspend all necessary rules to take up and consider at this time the following congratulatory resolutions.

The motion prevailed.

The following resolutions were laid before the house:

**HR 1401** (by González), Honoring Cynthia Ann Najera for her service to Socorro ISD.

**HR 1434** (by González), Recognizing El Paso County Attorney Jo Anne Bernal for her public service.

**HR 1454** (by González), Honoring Dr. Kathleen Staudt for her service to The University of Texas at El Paso.

**HR 1880** (by Márquez), Congratulating Josiah Heyman on his appointment as director of The University of Texas at El Paso Center for Inter-American and Border Studies.

**HR 1921** (by Herrero), Commemorating the Robstown Community Health Fair being held at Retama Manor Nursing Center during National Nursing Home Week 2015.

**HR 1954** (by Villalba), Commending James P. Graham of Dallas for his civic leadership and volunteer work.

**HR 2217** (by González), Commending Dinah Kilgore for her service to El Paso County.

**HR 2246** (by Márquez), Congratulating Raymond Palacios, Jr., on his induction in the El Paso Business Hall of Fame.

**HR 2413** (by Hughes), Commemorating the 35th anniversary of Young Conservatives of Texas.

**HR 2490** (by Canales), Congratulating Edwards Abstract and Title Company on its 135th anniversary.

**HR 2497** (by González), Commending El Paso city manager Tommy Gonzalez on his career in public service.

**HR 2513** (by Sanford), Commending Judge John Payton on his service as Collin County justice of the peace of Precinct 3, Place 2.

**HR 2580** (by Springer), Commending Texas Department of Public Safety Trooper Brody Moore for his service at the Texas-Mexico border as part of Operation Strong Safety.

**HR 2725** (by Anchia), Commending the Honorable Juan M. Garcia III for his service as U.S. assistant secretary of the navy.

**HR 2936** (by Krause), Congratulating Hillwood Middle School in Fort Worth on being named a School to Watch by the Texas Middle School Association and the National Forum to Accelerate Middle-Grades Reform.

**HR 2977** (by Gonzales), Congratulating Gail Gonzalez of Austin on her retirement from the Texas Department of Family and Protective Services.

**HR 3008** (by Y. Davis), Commending Carolyn R. Davis for her service on the Dallas City Council.

**HR 3064** (by Y. Davis), Commending Nancy Woertendyke for serving as a Democratic Party precinct chair in Dallas County.

**HR 3075** (by Y. Davis), Commending Ann Hubener for serving as a Democratic Party precinct chair in Dallas County.

**HR 3082** (by Y. Davis), Commending Constance Ramirez Hollie-Jawaid for serving as a Democratic Party precinct chair in Dallas County.

**HR 3129** (by Paddie), Congratulating Claudine Howard on her receipt of the 2015 Community Builder Award from the Tenaha Masonic Lodge.

**HR 3182** (by C. Anderson), Congratulating Diane Gough of Hewitt Elementary School on being named the 2015 National Distinguished Principal for the State of Texas by the Texas Elementary Principals and Supervisors Association.

**HR 3184** (by C. Anderson), Congratulating the Waco chapter of Sigma Gamma Rho Sorority on its 70th anniversary.

**HR 3457** (by Y. Davis), Commending Chief David O. Brown and the Dallas Police Department for their exemplary record of community policing and outreach.

**HR 3460** (by Huberty), Congratulating Georgia Gasper on her retirement as liaison nurse at the Michael E. DeBakey Veterans Affairs Medical Center in Houston.

**HR 3465** (by Phillips), Congratulating Lawrence Olsen on his retirement as executive vice president of the Texas Good Roads and Transportation Association.

**HR 3469** (by Villalba), Honoring Jeri Mills for her service as a legislative assistant in the office of State Representative Jason Villalba.

**HR 3470** (by R. Anderson), Congratulating Diane and Ron Castleman on their 50th wedding anniversary.

**HR 3471** (by Farney), Commending Nicole ElMurr on her service as a legislative aide in the office of State Representative Marsha Farney.

**HR 3472** (by Hughes), Commemorating the 175th anniversary of the John Wingate and Elizabeth Truitt Log Cabin.

**HR 3476** (by K. King), Honoring the Legislative Reference Library.

**HR 3477** (by Wu), Congratulating Giovanny Macedo on his graduation from the Texas School for the Deaf.

**HR 3478** (by Fallon), Congratulating Nick Adams on his successful book *The American Boomerang: How the World's Greatest 'Turnaround' Nation Will Do It Again*.

**HR 3480** (by Dutton), Congratulating the Houston Food Bank on being named the 2015 Member of the Year by the Feeding America network.

**HR 3482** (by Blanco), Congratulating Jose and Lucila Balderrama on their 65th Anniversary.

**HR 3483** (by Giddings), Honoring the African American Museum of Dallas on the occasion of its 40th Anniversary Celebration Gala and Auction.

**HR 3485** (by Klick), Commending Steven Forrest Will for his service as legislative director for State Representative Stephanie Klick.

**HR 3486** (by Klick), Commending Rebecca Parma for her service as a legislative assistant in the office of State Representative Stephanie Klick.

**HR 3487** (by Klick), Commending Callie Strock for her service as a legislative assistant in the office of State Representative Stephanie Klick.

**HR 3489** (by Price), Congratulating Ginny McKay on her retirement from the Texas Sunset Advisory Commission.

**HR 3490** (by Price), Congratulating Karl Spock on his retirement as senior manager of the Texas Sunset Commission.

**HR 3491** (by Price), Commemorating National Dairy Month 2015.

**HR 3492** (by Price), Recognizing June 2016 as National Dairy Month in Texas.

**HR 3493** (by Price), Recognizing February 7-13, 2016, as Burn Awareness Week in Texas.

**HR 3495** (by Price), Commemorating Gold Star Mother's Day 2016.

**HR 3496** (by Price), Commending the Sunset Advisory Commission staff members on the Department of State Health Services sunset team.

**HR 3497** (by Price), Commending the Sunset Advisory Commission staff members on the Health and Human Services Commission sunset team.

**HR 3498** (by Price), Commemorating May 1, 2016, as Law Day.

**HR 3499** (by Shaheen), Congratulating the Plano West High School girls' basketball team on its 2014-2015 season.

**HR 3500** (by Villalba), Honoring Jordan Hunter for her service as communications director in the office of State Representative Jason Villalba.

**HR 3503** (by Martinez Fischer), Congratulating Felix Yruegas and the Lanierites of San Antonio on their receipt of the 2015 Spirit of Education Award from the Mexican American Unity Council.

**HR 3504** (by Farney), Commending Kendra Verash for her service as a legislative intern in the office of State Representative Marsha Farney.

**HR 3505** (by Meyer), Congratulating Diyaa Shah of Armstrong Elementary School in Dallas on being named a runner-up in the 2015 Texas Travels Essay Contest.

**HR 3506** (by Guillen), Congratulating Alfredo Serrato on his retirement as Willacy County Precinct 3 commissioner.

**HR 3508** (by Martinez Fischer), Honoring the precinct chairs of the Bexar County Democratic Party.

**HR 3509** (by Smithee), Congratulating the boys' wrestling team of Amarillo High School on its performance at the 2015 UIL Wrestling State Tournament.

**HR 3510** (by Smithee), Congratulating Tyler Pickens of Amarillo High School on his participation in the Class 6A boys' shot put event at the 2015 UIL Track & Field State Meet.



**HR 3511** (by Farrar), Congratulating the Honorable Rick Noriega on his promotion to brigadier general in the Texas Army National Guard.

**HR 3513** (by Moody), Commending Ana Gonzalez for her service as district director for State Representative Joe Moody.

**HR 3514** (by Howard), Honoring Robert Schneider for his service on the Austin ISD Board of Trustees.

The resolutions were adopted.

### **RESOLUTIONS ADOPTED**

Representative Kacal moved to suspend all necessary rules to take up and consider at this time the following memorial resolutions.

The motion prevailed.

The following resolutions were laid before the house:

**HR 2988** (by C. Turner), In memory of Robert Gomez Rivera, Sr.

**HR 3458** (by Hughes), In memory of Mary Jo Walker of Mount Pleasant.

**HR 3459** (by Hughes), In memory of Jennifer Larned of Marshall.

**HR 3461** (by Hughes), In memory of Bill Lacy of Troup.

**HR 3462** (by Hughes), In memory of Paul Edward Glaske of Flint.

**HR 3463** (by Hughes), In memory of Lottie Ruth Turner Clariday of Mineola.

**HR 3464** (by Hughes), In memory of Nellie Plumley of Lindale.

**HR 3468** (by Farney), In memory of Ruth Gibson Moore.

**HR 3473** (by Hughes), In memory of Billie Ruth Richardson of Gladewater.

**HR 3474** (by Hughes), In memory of Bobbie Ray Hughes of Mineola.

**HR 3501** (by Martinez Fischer), In memory of Ruben Laborde Garza, Sr., of San Antonio.

**HR 3502** (by Martinez Fischer), In memory of retired Bexar County deputy sheriff Ernestine A. Ibarra.

**HR 3512** (by Hughes), In memory of Henry "Pete" Coke of Mount Pleasant.

The resolutions were unanimously adopted by a rising vote.

### **PROVIDING FOR ADJOURNMENT**

At 7:22 p.m., Representative Darby moved that, at the conclusion of the receipt of messages from the senate, the house adjourn until 10 a.m. tomorrow.

The motion prevailed.

(Speaker in the chair)

**MESSAGE FROM THE SENATE**

A message from the senate was received at this time (see the addendum to the daily journal, Messages from the Senate, Message No. 4).

**ADJOURNMENT**

In accordance with a previous motion, the house, at 9:17 a.m. Monday, June 1, adjourned until 10 a.m. today.

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**ADDENDUM**

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**SIGNED BY THE SPEAKER**

The following bills and resolutions were today signed in the presence of the house by the speaker:

**House List No. 34**

**HB 7, HB 12, HB 20, HB 30, HB 74, HB 77, HB 211, HB 463, HB 530, HB 583, HB 751, HB 786, HB 839, HB 910, HB 923, HB 1170, HB 1171, HB 1184, HB 1265, HB 1334, HB 1378, HB 1424, HB 1446, HB 1491, HB 1583, HB 1621, HB 1624, HB 1633, HB 1681, HB 1690, HB 1783, HB 1949, HB 1969, HB 1982, HB 2076, HB 2123, HB 2186, HB 2206, HB 2255, HB 2259, HB 2286, HB 2349, HB 2381, HB 2475, HB 2486, HB 2489, HB 2684, HB 2696, HB 2826, HB 2950, HB 2974, HB 3078, HB 3121, HB 3163, HB 3193, HB 3212, HB 3302, HB 3310, HB 3387, HB 3424, HB 3511, HB 3519, HB 3523, HB 3579, HB 3603, HB 3605, HB 3888, HB 4059, HB 4099, HB 4154, HB 4155, HB 4156, HB 4168, HCR 134, HCR 137, HCR 139, HCR 142**

**Senate List No. 33**

**SB 1, SB 206, SB 208, SB 265, SB 277, SB 496, SB 593, SB 633, SB 684, SB 699, SB 733, SB 933, SB 1101, SB 1213, SB 1243, SB 1287, SB 1296, SB 1336, SB 1406, SB 1462, SB 1474, SB 1580, SB 1727, SB 1828, SB 1876, SB 1877, SB 1934, SJR 1**

**MESSAGES FROM THE SENATE**

The following messages from the senate were today received by the house:

**Message No. 1**

MESSAGE FROM THE SENATE  
SENATE CHAMBER  
Austin, Texas  
Sunday, May 31, 2015 - 1

The Honorable Speaker of the House  
House Chamber

Austin, Texas

Mr. Speaker:

I am directed by the senate to inform the house that the senate has taken the following action:

THE SENATE HAS PASSED THE FOLLOWING MEASURES:

**HCR 118**

Canales

SPONSOR: Hinojosa

In memory of former Hidalgo County Commissioner Oscar L. Garza Jr. of Edinburg.

THE SENATE HAS ADOPTED THE FOLLOWING CONFERENCE COMMITTEE REPORTS:

<b>HB 100</b>	(26 Yeas, 5 Nays)
<b>HB 189</b>	(31 Yeas, 0 Nays)
<b>HB 311</b>	(26 Yeas, 4 Nays, 1 Present, not voting)
<b>HB 483</b>	(27 Yeas, 4 Nays)
<b>HB 743</b>	(27 Yeas, 4 Nays)
<b>HB 1305</b>	(29 Yeas, 2 Nays)
<b>HB 1454</b>	(31 Yeas, 0 Nays)
<b>HB 1585</b>	(28 Yeas, 3 Nays)
<b>HB 1915</b>	(26 Yeas, 5 Nays)
<b>HB 2019</b>	(28 Yeas, 3 Nays)
<b>HB 2150</b>	(29 Yeas, 2 Nays)
<b>HB 2398</b>	(27 Yeas, 4 Nays)
<b>HB 2633</b>	(31 Yeas, 0 Nays)
<b>HB 2641</b>	(31 Yeas, 0 Nays)
<b>HB 2645</b>	(31 Yeas, 0 Nays)
<b>HB 2804</b>	(30 Yeas, 1 Nay)
<b>HB 2968</b>	(31 Yeas, 0 Nays)
<b>HB 3123</b>	(28 Yeas, 3 Nays)
<b>HB 3405</b>	(27 Yeas, 4 Nays)
<b>HB 3535</b>	(23 Yeas, 8 Nays)
<b>SB 11</b>	(20 Yeas, 11 Nays)
<b>SB 20</b>	(31 Yeas, 0 Nays)
<b>SB 55</b>	(31 Yeas, 0 Nays)
<b>SB 202</b>	(31 Yeas, 0 Nays)
<b>SB 207</b>	(30 Yeas, 1 Nay)
<b>SB 459</b>	(24 Yeas, 7 Nays)
<b>SB 523</b>	(31 Yeas, 0 Nays)

<b>SB 652</b>	(27 Yeas, 4 Nays)
<b>SB 866</b>	(30 Yeas, 1 Nay)
<b>SB 1071</b>	(30 Yeas, 1 Nay)
<b>SB 1139</b>	(31 Yeas, 0 Nays)
<b>SB 1191</b>	(28 Yeas, 3 Nays)
<b>SB 1367</b>	(29 Yeas, 2 Nays)
<b>SB 1465</b>	(31 Yeas, 0 Nays)
<b>SB 1574</b>	(30 Yeas, 1 Nay)
<b>SB 1593</b>	(31 Yeas, 0 Nays)
<b>SB 1750</b>	(29 Yeas, 2 Nays)

THE SENATE HAS TAKEN THE FOLLOWING OTHER ACTION:

**HB 2187**

The Senate reconsidered the necessary motions, withdrew Floor Amendment #1 and again finally passed.

Respectfully,  
Patsy Spaw  
Secretary of the Senate

**Message No. 2**

MESSAGE FROM THE SENATE  
SENATE CHAMBER  
Austin, Texas  
Sunday, May 31, 2015 - 2

The Honorable Speaker of the House  
House Chamber  
Austin, Texas

Mr. Speaker:

I am directed by the senate to inform the house that the senate has taken the following action:

THE SENATE HAS PASSED THE FOLLOWING MEASURES:

<b>SCR 50</b>	West	SPONSOR: Naishtat
Instructing the enrolling clerk of the senate to make corrections in S.B. No. 968.		

<b>SCR 52</b>	Taylor, Van	SPONSOR: Leach
Recognizing Jerry and Barbara Madden on the occasion of their 50th wedding anniversary.		

Respectfully,  
Patsy Spaw  
Secretary of the Senate

**Message No. 3**

MESSAGE FROM THE SENATE  
SENATE CHAMBER  
Austin, Texas  
Sunday, May 31, 2015 - 3

The Honorable Speaker of the House  
House Chamber  
Austin, Texas

Mr. Speaker:

I am directed by the senate to inform the house that the senate has taken the following action:

THE SENATE HAS PASSED THE FOLLOWING MEASURES:

**HCR 138** Phillips SPONSOR: Estes  
Instructing the enrolling clerk of the house to make corrections in H.B. No. 1919.

**HCR 143** Bonnen, Dennis SPONSOR: Nelson  
Instructing the enrolling clerk of the house to make corrections in H.B. No. 32.

**HCR 144** Anderson, Rodney SPONSOR: Eltife  
Instructing the enrolling clerk of the House to make corrections in H.B. No. 2404.

THE SENATE HAS ADOPTED THE FOLLOWING CONFERENCE  
COMMITTEE REPORTS:

<b>HB 6</b>	(31 Yeas, 0 Nays)
<b>HB 26</b>	(30 Yeas, 1 Nay)
<b>HB 200</b>	(30 Yeas, 1 Nay)
<b>HB 382</b>	(23 Yeas, 8 Nays)
<b>HB 824</b>	(28 Yeas, 3 Nays)
<b>HB 991</b>	(29 Yeas, 1 Nay, 1 Present, not voting)
<b>HB 1295</b>	(30 Yeas, 1 Nay)
<b>HB 1396</b>	(30 Yeas, 1 Nay)
<b>HB 1559</b>	(29 Yeas, 2 Nays)
<b>HB 1905</b>	(19 Yeas, 12 Nays)
<b>HB 2205</b>	(19 Yeas, 12 Nays)
<b>HB 2291</b>	(31 Yeas, 0 Nays)
<b>HB 3106</b>	(25 Yeas, 6 Nays)
<b>HB 3615</b>	(29 Yeas, 2 Nays)
<b>HB 3736</b>	(28 Yeas, 3 Nays)
<b>HB 4175</b>	(27 Yeas, 4 Nays)
<b>SB 507</b>	(21 Yeas, 10 Nays)
<b>SB 551</b>	(31 Yeas, 0 Nays)

**SB 632** (30 Yeas, 1 Nay)  
**SB 1007** (26 Yeas, 5 Nays)  
**SB 1316** (21 Yeas, 10 Nays)  
**SB 1338** (31 Yeas, 0 Nays)  
**SB 1630** (31 Yeas, 0 Nays)  
**SB 1756** (29 Yeas, 2 Nays)  
**SB 1882** (31 Yeas, 0 Nays)  
**SB 1964** (27 Yeas, 4 Nays)

THE SENATE HAS REFUSED TO ADOPT THE FOLLOWING  
CONFERENCE COMMITTEE REPORTS:

**HB 2162** (10 Yeas, 21 Nays)

Respectfully,  
Patsy Spaw  
Secretary of the Senate

**Message No. 4**

MESSAGE FROM THE SENATE  
SENATE CHAMBER  
Austin, Texas  
Monday, June 1, 2015 - 1

The Honorable Speaker of the House  
House Chamber  
Austin, Texas

Mr. Speaker:

I am directed by the senate to inform the house that the senate has taken the following action:

THE SENATE HAS PASSED THE FOLLOWING MEASURES:

**HCR 147** Keough SPONSOR: Menéndez  
Instructing the enrolling clerk of the house to make corrections to H.B. 3184

THE SENATE HAS ADOPTED THE FOLLOWING CONFERENCE  
COMMITTEE REPORTS:

**HB 408** (31 Yeas, 0 Nays)  
**HB 1842** (26 Yeas, 5 Nays)  
**SB 313** (27 Yeas, 4 Nays)  
**SB 1999** (31 Yeas, 0 Nays)

Respectfully,  
Patsy Spaw  
Secretary of the Senate

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**APPENDIX**

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**ENROLLED**

May 30 - HB 7, HB 12, HB 20, HB 48, HB 74, HB 77, HB 211, HB 281, HB 463, HB 530, HB 583, HB 751, HB 781, HB 786, HB 839, HB 870, HB 885, HB 910, HB 923, HB 1094, HB 1170, HB 1171, HB 1184, HB 1265, HB 1334, HB 1378, HB 1424, HB 1446, HB 1491, HB 1583, HB 1621, HB 1624, HB 1633, HB 1681, HB 1690, HB 1738, HB 1783, HB 1888, HB 1927, HB 1949, HB 1969, HB 1982, HB 2076, HB 2123, HB 2186, HB 2206, HB 2255, HB 2259, HB 2286, HB 2349, HB 2381, HB 2439, HB 2475, HB 2486, HB 2489, HB 2573, HB 2590, HB 2630, HB 2684, HB 2696, HB 2826, HB 2896, HB 2950, HB 2974, HB 3078, HB 3121, HB 3163, HB 3193, HB 3212, HB 3302, HB 3310, HB 3387, HB 3424, HB 3511, HB 3519, HB 3523, HB 3579, HB 3603, HB 3605, HB 3666, HB 3781, HB 3888, HB 4037, HB 4059, HB 4099, HB 4154, HB 4155, HB 4156, HB 4168, HCR 134, HCR 136, HCR 137, HCR 139, HCR 141, HCR 142

**SENT TO THE GOVERNOR**

May 30 - HB 11, HB 23, HB 48, HB 114, HB 177, HB 263, HB 281, HB 324, HB 416, HB 554, HB 565, HB 621, HB 642, HB 679, HB 699, HB 781, HB 866, HB 870, HB 885, HB 930, HB 939, HB 966, HB 1000, HB 1039, HB 1094, HB 1150, HB 1151, HB 1164, HB 1190, HB 1306, HB 1307, HB 1317, HB 1363, HB 1364, HB 1376, HB 1438, HB 1447, HB 1481, HB 1579, HB 1613, HB 1666, HB 1683, HB 1706, HB 1738, HB 1782, HB 1786, HB 1832, HB 1841, HB 1887, HB 1888, HB 1912, HB 1923, HB 1927, HB 1929, HB 1930, HB 2020, HB 2037, HB 2053, HB 2070, HB 2091, HB 2131, HB 2159, HB 2160, HB 2185, HB 2194, HB 2246, HB 2257, HB 2278, HB 2280, HB 2282, HB 2303, HB 2350, HB 2439, HB 2464, HB 2511, HB 2521, HB 2573, HB 2574, HB 2583, HB 2588, HB 2590, HB 2610, HB 2621, HB 2630, HB 2665, HB 2697, HB 2710, HB 2712, HB 2718, HB 2721, HB 2794, HB 2849, HB 2861, HB 2883, HB 2891, HB 2896, HB 2926, HB 2965, HB 3043, HB 3070, HB 3089, HB 3099, HB 3136, HB 3157, HB 3175, HB 3186, HB 3190, HB 3244, HB 3311, HB 3348, HB 3364, HB 3390, HB 3512, HB 3532, HB 3562, HB 3576, HB 3623, HB 3666, HB 3668, HB 3683, HB 3750, HB 3777, HB 3781, HB 3791, HB 3901, HB 3951, HB 3987, HB 4025, HB 4037, HB 4103, HB 4130, HB 4147, HB 4158, HB 4159, HB 4160, HB 4176, HB 4178, HB 4179, HB 4180, HB 4184, HB 4185, HB 4187, HB 4192, HB 4196, HB 4202, HB 4203, HB 4204, HB 4206, HB 4212, HCR 78, HCR 104, HCR 105, HCR 106, HCR 119, HCR 122, HCR 128, HCR 136

